

Jordan Will Help, Bush Says



King Hussein of Jordan being greeted Thursday by President Bush in Knebelsburg, Maine.

King Bears No Message From Baghdad

KNEBELSBURG, Maine — President George Bush said Thursday that King Hussein had assured him that Jordan would close a vital port to most Iraqi commerce.

Mr. Bush said it was not possible to say that the Middle East crisis had stabilized, and thousands more Marines were dispatched to the Gulf. At a news conference at his summer home in Maine, he also expressed concern about reports that Americans were being rounded up in Kuwait by the occupying Iraqi forces.

Mr. Bush had said in advance that he would press King Hussein to deny Iraq access to the port of Aqaba, the last remaining free waterway for the

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Iraq Warns of Thousands of U.S. Deaths

NICOSIA — President Saddam Hussein warned Thursday that thousands of Americans would die in an armed conflict with Iraq.

The Iraqi leader accused President George Bush of trying to plunder Arab oil and said U.S. forces gathering in Saudi Arabia could be crushed in a holy war.

"We pray to God that the two sides will not clash, because if they do thousands of Americans whom you have pushed into this dark tunnel will go home in shrouded coffins," the Iraqi leader said in a speech broadcast from Baghdad.

Mr. Hussein's address followed a speech by Mr. Bush on Wednesday when the U.S. president called him a liar. In response, Mr. Hussein said: "You, president of the United States, have chosen to be a liar. You have lied to your people."

The official Iraqi News Agency, meanwhile, denied a report by the Middle East News Agency of Egypt, which said tanks were in the streets of Baghdad after an assassination attempt on the Iraqi president.

"Baghdad is thriving in the stability and normal life which its people enjoy in the shadow of their

See IRAQ, Page 6

Mass Internment Is Feared As Iraq Calls In Westerners

By William Claiborne
Washington Post Service

CAIRO — Fears of a mass internment of Westerners in Kuwait grew Thursday as 4,000 Britons and 2,500 Americans were reported to have been ordered by Iraqi authorities to assemble in Kuwait City hotels.

The United States said it would protest to Baghdad and demand an explanation.

A deputy State Department spokesman, Richard A. Boucher, said the Iraqi action was totally unjustified. He said that the U.S. chargé d'affaires in Baghdad would lodge a protest.

A British Foreign Office minister, William Waldegrave, said in London that the order issued to the 4,000 Britons was a "grave and sinister development" and could be a prelude to a mass internment of foreigners in Iraq.

Mr. Waldegrave said he believed that

Americans and other Westerners were included in the order to assemble at Kuwait City hotels.

Mr. Waldegrave said the Iraqis had made it clear the Westerners could be in danger if they disobeyed the order.

"What we fear," he said, "is that they will be interned somewhere, most likely in Iraq."

He added, "I hope these reports and the storm of protest that will break around the head of Iraq if she pursues any policy on internment people will make her draw back, even at this late stage, if that is what she contemplates."

Earlier in the day, a convoy of British and Soviet citizens left Kuwait for Baghdad with an Iraqi military escort. The group was reported to have included 112 British Embassy staffers and dependents and an unspecified number of the estimated 880 Soviets in Kuwait.

The Foreign Office said the British community in Kuwait had been offered the opportunity of going to Baghdad, but that most had decided to stay.

In Amman, Jordan, Foreign Minister Gianni De Michelis of Italy said the European Community had asked Jordan to intercede with Iraq to free thousands of Westerners trapped in Baghdad. Mr. De Michelis said he told Crown Prince Hassan that Iraq was aggravating matters by keeping thousands of foreign civilians in Baghdad in violation of international law.

About 7,000 refugees, including 4,000 Egyptian contract workers, streamed over the Iraqi border into Jordan on Thursday.

Three Americans, three Britons and a Frenchwoman were also among those leaving. They were the first Westerners allowed to cross from Iraq into Jordan at the Ruwished border post since Saturday.

The travelers said that another 4,000 people were waiting on the Iraqi side to cross the border, and that many refugees from Kuwait were stranded in Baghdad because they could not buy enough gasoline to drive out.

Roundup Threat by Iraq

A U.S. official said Thursday that Iraq had threatened to round up Americans in Kuwait City if they did not comply with an order to move to a hotel, news agencies reported from Washington.

The Bush administration said it had sought a meeting to protest the Iraqi orders and demand an explanation for the directive, delivered by Iraqi military authorities to the U.S. ambassador in Kuwait, Nathaniel Howell.

"In the meeting, the Iraqis did imply that they would go out and find people," a U.S.

See FOREIGNERS, Page 6

Ships Wait As Embargo Takes Hold

By Steven Prokesh
New York Times Service

LONDON — An unusually large number of commercial ships are anchored outside the entrance to the Gulf, and most Iraqi-owned commercial ships are not trying to pick up or unload cargoes around the world, shipping experts said Thursday.

They said these developments reflected the impact of the United Nations trade sanctions against Iraq and Kuwait and the American-led naval embargo, as well as fears that war would break out between Iraq and the multinational force in the region.

Lloyd's List International, an authoritative newspaper on the shipping industry, said that "the vast majority of Iraq's fleet of about 80 tankers and cargo ships has stopped regular trading."

Citing Lloyd's Shipping Intelligence, which tracks ship movements, the paper said: "More than three-quarters of the fleet has not been recorded entering port since Iraqi troops invaded Kuwait, while others have failed to make their intended ports of call."

In a separate development the British government indefinitely blocked the exporting of a cargo of munitions that was to have been shipped to Aqaba, Jordan, apparently fearing that the cargo might actually be bound for Iraq.

Iraq's commercial fleet of ships above 100 gross tons in size includes 24 tankers, 4 barges, 20 cargo ships and a refrigeration ship, according to Lloyd's Maritime Information Service.

Of the 24 tankers, only 18 are believed to be in active service, including one that is being used as a storage vessel at Aqaba, Jordan, and 3 that are scheduled for repairs.

One of these, the Tarik ibn Ziyad, had sailed to Lisbon for repairs. But the Portuguese government has decided that the work would be a violation of the UN sanctions and has refused to let the repairs proceed, Lloyd's List said.

It also said that port authorities at Dubai in the United Arab Emirates denied entry earlier this week to an Iraqi cargo barge, the Alabid, and that another Iraqi barge, the Albayaz, was waiting there too. On Monday, Saudi Arabia refused to let an Iraqi tanker,

See EMBARGO, Page 6

U.S. to Send 45,000 Marines to Gulf

Compiled by Our Staff From Dispatches

KENNEBUNKPORT, Maine — Pentagon sources said Thursday that 45,000 Marines would be among the U.S. troops being sent to the Gulf region.

The size of the Marine deployment became known as one source said that President George Bush had given naval commanders in the Gulf permission to use "minimum force" to halt shipments to and from Iraq in enforcing a United Nations trade embargo.

Those steps could include attempting to block the ship's passage or firing a warning shot across the bow, a senior administration source said in Washington.

The size of the Marine deployment was disclosed by officials speaking on condition of anonymity.

Officials said Wednesday that 50,000 Marines, army airborne and infantry troops would be sent to Saudi Arabia in the coming weeks. It was not immediately known over what period the 45,000-Marine contingent would be deployed in the Gulf.

There are now about 60,000 U.S. ground

troops, sailors and airmen in the region.

In a separate interview General John Dailey, assistant commandant of the U.S. Marine Corps, said that the service was sending a "substantial armada" of assault troops, the largest since the Vietnam War.

"We don't just arrive," he said. "We're there to stay for a fairly lengthy period."

Defense Department sources said that 22 F-117A Stealth fighters were leaving Thursday for the Gulf. The radar-evading jets saw their first combat in Panama in December.

The aircraft carrier John F. Kennedy and its eight-ship battle group left for the Middle East on Wednesday.

The instructions on interdiction of Iraqi ships prescribed a step-by-step approach under which commanders should first ask ships to halt and seek their cooperation before taking any more aggressive steps, the administration source said.

The instructions "will tell them to use the minimum force necessary," said the source, adding that such actions might include steps taken to disable a ship so that it could not continue on its way.

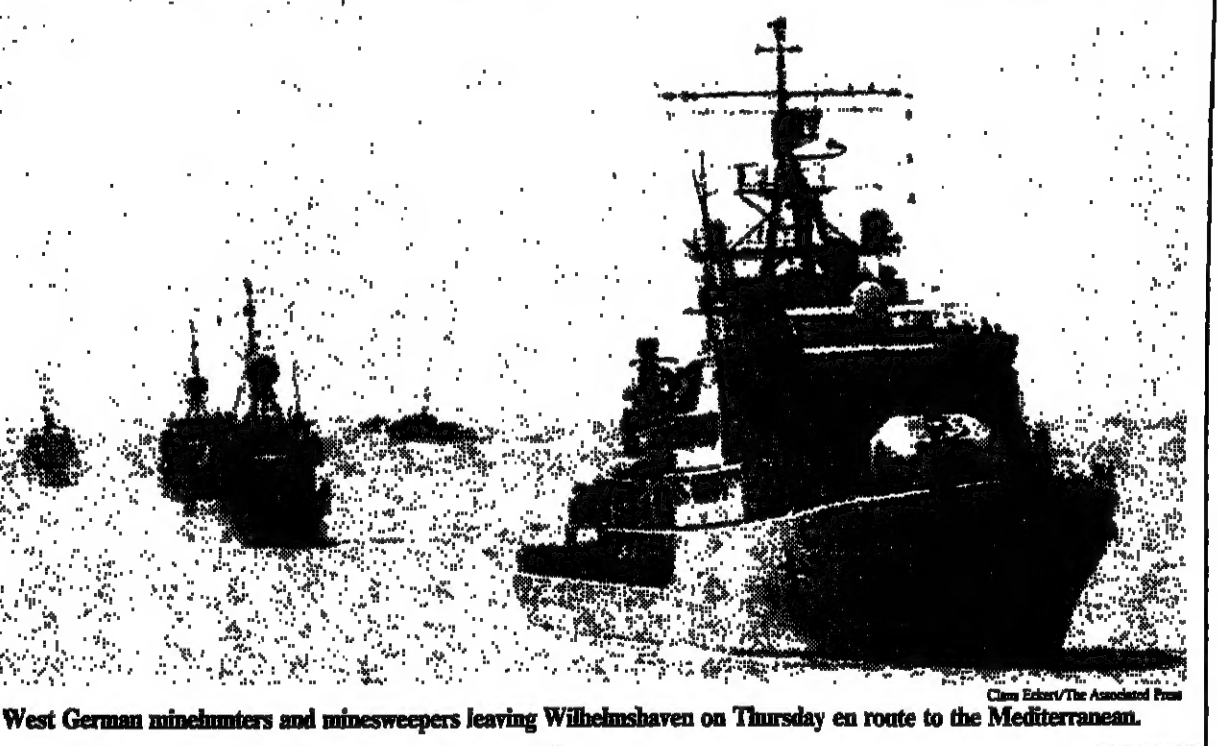
Meanwhile, 2,000 more troops promised by Egypt to defend Saudi Arabia against a possible Iraqi attack left Cairo for the kingdom on Thursday, Egyptian Defense Ministry sources said.

They said that the troops were being flown to join 3,000 Egyptian troops already there. The first Egyptian units arrived in Saudi Arabia on Saturday after an Arab summit meeting in Cairo decided to send an Arab force to the kingdom following Iraq's annexation of Kuwait.

The Defense Ministry sources said that orders had been issued for Egyptian Air Force pilots transporting the troops to Saudi Arabia to repatriate thousands of Egyptians who had fled there from Kuwait or had been unable to re-enter from Saudi Arabia following the invasion. Kuwaitis in the kingdom will also be offered free transport to Cairo, they said.

The Egyptian deployment is part of a movement of more than 125,000 troops,

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West German minelayers and minesweepers leaving Wilhelmshaven on Thursday en route to the Mediterranean.

Kiosk

Gambia Seeks Liberia Talks

BANJUL, Gambia (Reuters) — President Sir Dawda Jawara on Thursday invited Liberia's three warring factions to peace talks in the Gambia capital on Aug. 27.

President Jawara issued the call in the name of a mediation committee of the Economic Community of West African States, which has assembled a peacekeeping force to impose a cease-fire in Liberia. He invited factions loyal to President Samuel K. Doe, to the rebel leader Charles Taylor and to the dissident rebel chief Prince Yormie Johnson.

General News

East Germany's coalition was near collapse following a cabinet shake-up. Page 2.

President Suharto ruled out changing the Indonesian political system. Page 2.

Business/Finance

Oil prices rose as hopes waned for a quick solution to the Middle East crisis. Page 11.

Crossword

Dow Jones	The Dollar
2,681.44	1.5533
Down 28	Down 1.009
98.63	147.24
PF	5.2115

Fighting Erupts in Soweto as de Klerk and Mandela Confer

By Alan Cowell
New York Times Service

SOWETO, South Africa — As factional violence shifted Thursday to Soweto after three days of bloodletting east of Johannesburg, President Frederik W. de Klerk held unscheduled talks with Nelson Mandela and later threatened unspecified action to curb violence that has claimed at least 200 lives in various parts of the country over the past week.

After the meeting, Mr. Man-

del's African National Congress and one of its allies, the Congress of South African Trade Unions, issued an emotional appeal for calm.

"This senseless carnage must stop," the appeal said. Most significantly, the statement seemed to reverse previous allegations by the African National Congress that the police were fomenting violence by supporting the group's adversaries.

"The role of the police is to serve the community, not to fan the flames of conflict," the statement said.

Nine more persons, all black, were reported slain Thursday and 99 injured after, according to Soweto residents, a group of Zulu migrant workers fought commuters boarding trains at dawn to head for jobs in Johannesburg.

A police spokesman, Brigadier Leon Meltet, said the toll could be much higher because many of the wounded were in critical condition.

The state-owned South African Broadcasting Corp. reported that the minister for law and order,

Adriaan Vlok, was meeting with Mr. Mandela in Soweto Thursday night to seek an end to the fighting.

Throughout the day, bands of youths proclaiming allegiance to Mr. Mandela's African National Congress barricaded streets, burned tires and challenged residents of a hostel that catered to the Inkatha movement of Chief Mangosuthu Buthelezi, whose following rests principally among South Africa's 6 million Zulus.

At one hostel, scores of migrant

workers performed dances and brandished crude spears, their heads swathed in the red bandanas that many Zulus have taken as their emblem.

The fighting this week had claimed more than 140 lives in segregated black townships east of Johannesburg. Scores more people have died in Port Elizabeth and Sebokeng areas south of here.

Police fired continuing rounds of tear gas to keep the warring sides confined to different ends of a

bridge across the railway tracks in Soweto Thursday after the initial clashes.

The African National Congress statement acknowledged political and ethnic differences among black South Africans, but appealed for peace.

"Yes, we might have political differences," the statement said. "Yes, we might belong to different political organizations. Yes, we do not speak one language. Yes, we do come from different parts of the

country, but this should be the basis for our unity, not for violent conflict among the people.

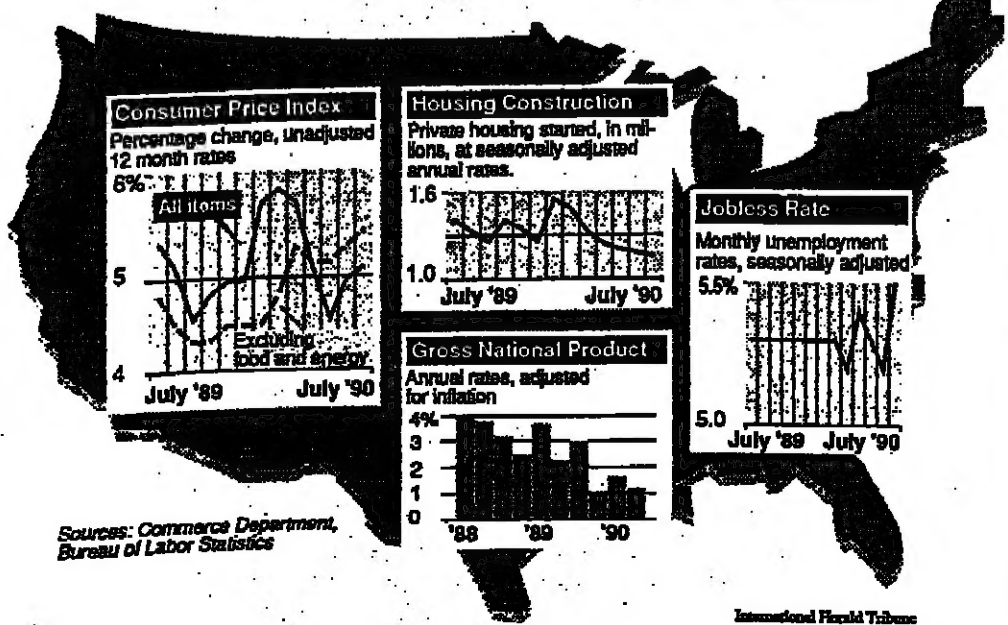
"We can and must debate, yes," it continued. "But butchering one another will not take anyone anywhere. Every black life lost prolongs the period of our suffering."

An Inkatha spokesman, Mcebisi Khumalo, sought to distance his organization from the violence, saying it was tribal not political.

The hostilities around Johannesburg.

See RIOTS, Page 2

Charting the Downturn



Sources: Commerce Department, Bureau of Labor Statistics

U.S. Inflation Rate Surges

By Lawrence Malkin
International Herald Tribune

NEW YORK — U.S. inflation was surging even before the Middle East crisis caused a rise in oil prices, the government reported Thursday, indicating that worse is to come for the national economy. Housing construction also collapsed as bank credit tightened.

Economists called the latest government figures — which showed consumer prices rising faster than expected in July and housing starts slumping at the same time — "unlabeled bad news." The data intensified the dilemma of the Federal Reserve Board on whether to loosen credit.

"America's worst economic fears could be coming true — recession with rising inflation," said Lawrence Hunter, deputy chief econo-

mist for the U.S. Chamber of Commerce.

On top of the sour economic news, angry words from President Saddam Hussein of Iraq and a reported roundup of U.S. and British citizens in Kuwait put war fears into the financial markets, prompting stocks to plummet and bond yields to rise.

Bond prices fell sharply on the data because traders assumed the Fed would be forced to keep credit tight while the rise in oil prices passes through the economy this autumn. Then came Mr. Hussein's statement calling President George Bush a liar, and prices of 30-year Treasury bonds tumbled one and one-half points to yield 8.91 percent.

Corporate bond rates also climbed. Salomon Brothers had to

price a new issue of 15-year bank bonds to yield 10.25 percent.

"In this very, very nervous environment, buyers are unwilling to step in and are waiting for a sign that the market or the world will take a turn for the better," said Michael Metz of Oppenheimer & Co.

The Bureau of Labor Statistics said that the consumer price index rose by 0.4 percent in July. The core rate of inflation, which includes volatile energy prices that actually declined during the month before Iraq's invasion of Kuwait, jumped an unexpected 0.6 percent, powered by rising housing and medical costs.

On top of that, economists forecast that gasoline price increases already in the pipeline would alone account for an increase of almost 1

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Dow Jones Index Plunges by 2.4%

NEW YORK (UPI) — Stock prices slumped Thursday on Wall Street as poor U.S. economic data and signs of heightened tension in the Gulf made investors jittery.

The Dow Jones industrial average sank 66.83 points, to 2,681.44, a drop of 2.4 percent. Broader market indexes were also sharply lower.

The slump on the New York Stock Exchange began at the opening bell with negative data on U.S. consumer prices and housing starts in July, indicating that the economy faces the twin evils of higher inflation and a slowdown in growth.

The dive in share prices accelerated as tension in the Gulf intensified with a new, hostile blast at the United States from President Saddam Hussein of Iraq. (Page 11)

100 Fidos (and Owners) Panting for Meaty Role in Broadway's 'Nick and Nora'

By Mervyn Rothstein
New York Times Service

NEW YORK — They trotted up to Roseland — wirehaired terriers, Yorkshire terriers and mutts, more than 100 strong — all competing for that once-in-a-lifetime opportunity, a chance to make a Broadway bowwow.

On leashes, off leashes, they waited outside the dance hall on West 52d Street to audition for the role of Asta in the Broadway musical "Nick and Nora."

The show is based on the characters of Nick and Nora Charles, created by Dashiell Hammett in "The Thin Man." And as devotees of the William Powell and Myrna Loy "Thin Man" mystery movies of the 1930s and '40s remember, Nick and Nora's Asta was a wire-hair.

But the show's producers decided not to limit the search.

"When people called and said they had a Pomeranian, or a dachshund, we said we were looking for a terrier and we discouraged non-terriers," said Charles A. Swanson, a producer. "But we added that if they felt their dog had the stuff to be a Broadway star, they should bring him. You never know when you will see a dog of star quality."

The sense of competition was apparent, even before the doors officially opened Tuesday morning shortly after 10. Nancy Dolling of Queens, who arrived at 8:30 and was first in line, eagerly touted the qualities of her 8-year-old wirehair, Higgins.

"He's good-looking, and he's got a good personality, and he's big enough for everybody to see," she said, and pointed to the second dog in line, a 2-year-old wirehair named Coco. "He's a little larger than that female over there."

But Coco's owner, Ethel Albuja of Queens, was not concerned. "You love your dog so much, you think, 'How can any other dog get the part?'" she said. "I think she should be easy to train. My husband disagrees with everything I do, but this he agrees with."

Danna Lyons of Hoboken, New Jersey, brought Budder, a year-old mutt. "I think she has some English bull terrier in her," she said. "We're clinging to that."

James Pentecost, another producer, said Asta was a major element of the musical, which is to begin performances on Broadway on Jan. 28 after a tryout in Baltimore.

The show stars Barry Bostwick and Joanna Gleason. Arthur Laurents wrote the book and is to direct; Charles Strouse did the score, and Richard Malby Jr. wrote the lyrics.

"Asta has his moments in the sun," Mr. Pentecost said. "The dog provides an important clue to the case."

For the lucky dog there will be a shot at Broadway fame and Broadway riches; Mr. Pentecost said that Asta would probably receive \$300 to \$500 a week.

Certainly money was on the minds of some owners. Felicia Choi of Westport, Connecticut, brought a mutt — "with a lot of terrier" — named Peepers. Said the owner, "I'd like him to put my son through college."

The dogs were led into Roseland and onto the dance floor five at a time, with the logistics coordinated by the show's producers via walkie-talkie.

The animals' fate was in the hands of Warren Eckstein, the host of "The Pet Show" on WOR radio. His books include "Pet Aerobics," "How to Get Your Cat to Do What You Want" and

the soon-to-be published "How to Get Your Dog to Do What You Want."

Mr. Eckstein, who will be training the winner, said he would probably choose a terrier or a terrier mix.

"It could be a generic terrier as well," he said. "It doesn't have to be a wirehair as long as it has that Asta look."

"It has to be a dog that has stage presence. I know that sounds a little eccentric to the average person, but some dogs pop out and say: 'Here I am! Look at me!'"

Mr. Eckstein mentioned that while the dogs were tested a pianist would play music from the show. "If the dogs don't like the music," he warned the owners, "they don't stand a shot."

Mr. Eckstein had said before the audition that he would be concentrating on the owners as well as the pets.

"By talking with the owners you can find out

a lot about the animals," he said. "A dog takes on the personality of its owners. If you have a depressed person, you have a depressed dog. If you have an anxious person, you have an anxious dog."

Five finalists were chosen, and Mr. Eckstein said the names of the winner — and the understudy — would be announced within a week.

The candidates are Asta, of Ridgewood, New Jersey; Ginger, of Long Island, and Mr. Smith, Hector and Max, all of Manhattan.

"I'm looking for that special smile," said Mr. Eckstein. "I want the dog to use his personality in combination with training to make conscious decisions onstage, so that they're not just part of the scenery but part of the show. The dog has to react to the actors. Every performance is a little different, and I want the dog to realize that."



FREE ON BOND — Marion Brando greeting his son Christian, center, who was released from jail in Los Angeles after his father posted bail of \$2 million. Christian Brando is accused of killing his half-sister's lover, Dag Drollet. At right is his brother, Mike.

Florida Politics: Referendum on Prozac

By Laura Parker
Washington Post Service

MIAMI — Lawton M. Chiles Jr., the runaway favorite in the Florida governor's race five months ago, has been thrown on the defensive and is now battling to hold a dwindling lead going into next month's Democratic primary.

The former U.S. senator, who had hoped to make the campaign a national referendum on clean politics, allowed an attack on his ethics to go unanswered long enough for his primary opponent, Representative Bill Nelson, Democrat of Florida, to plant seeds of doubt about personal finances.

Mr. Chiles, 60, remained on the defensive after revealing that he has resumed taking Prozac, an anti-depressant he used last winter.

He took the widely prescribed drug last winter, but in April, shortly after entering the race, he announced that his depression was cured and that he had stopped.

After an initial round of stories about the effects of depression, the headlines about Mr. Chiles and Prozac receded.

With his revelation last week, Prozac was back onto the front

pages and in the television news with hurricane force.

Both Mr. Nelson and Governor Bob Martinez, a Republican, demanded that Mr. Chiles release his medical records, which he refuses to do.

Mr. Nelson's running mate, Tom Gustafson, the speaker of Florida's House of Representatives, offered a politically devastating observation to the editorial board of the Fort Lauderdale Sun-Sentinel: "I don't want to have a suicide" during a term of office or during the election.

Mr. Chiles found himself fielding questions everywhere about his campaign funds, his personal finances and his health.

As Mr. Chiles traveled the state last week, he was lacking the symbols of his "people's campaign" — the brightly colored plaid shirt and walking boots. Gone also was the euphoric mood of springtime. Instead, he wore a dark, pinstriped suit and had a pained look.

In Miami, after touring a prison, he stepped out into the blazing sun to face a bank of television cameras there to record not his views of prison overcrowding but his expla-

nation about his resumption of taking Prozac.

Mr. Nelson's attack on his opponent's personal finances produced more smoke than fire, but it put Mr. Chiles on the defensive.

Over four weeks, Mr. Nelson hammered away at several complicated business transactions, calling them sweetheart deals, and he charged that Mr. Chiles had failed to fully disclose them when he was in the U.S. Senate.

Mr. Chiles was caught off guard by the attack and at times was unable to respond in detail.

At first, Mr. Chiles conceded he may have inadvertently failed to report everything while in the Senate, but he maintained that he made little or no money on the deals in question.

Days later, after his campaign staff researched Senate disclosure rules, Mr. Chiles added that he was not even required to report the transactions in question.

He also pointed out that a Nelson television advertisement, which suggested that Mr. Chiles had made no payments on a loan he received for 11 years, was in error.

He produced the checks showing payments were made, but the ad stayed on the air.

Prozac Lawsuits Mount

Former users of Prozac are filing multimillion-dollar lawsuits against the manufacturer as reports mount that the nation's most widely prescribed anti-depressant drug may spark violent or suicidal behavior in a small number of patients. The New York Times reported.

In the last three weeks, six suits have been lodged against Eli Lilly & Co., which manufactures Prozac. Lawyers working on the cases say that they and other lawyers are planning to file dozens of suits in the next few weeks.

The suits contend that Eli Lilly was negligent in not warning doctors strongly and clearly enough that the anti-depressant may sometimes set off aggressive, violent or suicidal behavior.

The lawyers maintain that while their clients were taking Prozac, they became far more hostile, despairing and uncontrollable than they had ever been before, committing extreme acts of self-mutilation, attempting suicide and endangering their families.

Speakers for Eli Lilly, while refusing to discuss details of any case under litigation, insist that Prozac was well tested before being marketed, and that it is remarkably safe.

"Certainly our product was adequately tested," said Edward West, director of corporate communications. "Laboratory testing began in 1976. More than 11,000 people participated in clinical trials."

WORLDWIDE ENTERTAINMENT

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Food Allergy Testing Fails a Test, Ceding to the Power of Suggestion

By Susan Okie
Washington Post Service

WASHINGTON — The increasingly common "food allergy" or "food sensitivities" diagnosed by practitioners of a new medical specialty called "clinical ecology" appear overwhelmingly to be the result of the power of suggestion, according to a report published Thursday.

In recent years, "environmental illness," purportedly caused by allergies to foods or synthetic chemicals, has become a popular explanation for a host of vague and difficult-to-treat problems, including headache, insomnia, palpitations, stuffy nose, depression, fatigue, intestinal gas, anger, learning disability, hyperactivity, bed-wetting and memory loss.

Doctors calling themselves clinical ecologists or environmental medicine specialists frequently test for such allergies by injecting a small amount of a solution containing the suspected allergen under a patient's skin and waiting to see whether the injection brings on symptoms. If it does, many clinical ecologists then prescribe a treatment involving regular injections of a somewhat larger dose of the allergen, to "neutralize" the allergy.

The procedure differs from conventional allergy skin-testing, in which a doctor makes small scratches on the skin, applies potential allergens and looks for a

characteristic skin reaction that signals sensitivity.

In the study, published in the New England Journal of Medicine, researchers at the University of California at San Francisco set out to test the validity of the clinical ecologists' method of diagnosing allergies, known as provocation-neutralization testing. They enrolled 18 patients who had been tested by clinical ecologists and who supposedly had symptoms that were triggered by substances such as chocolate, wheat, yeast, potatoes, beef and alcohol.

Don L. Jewett, an orthopedic surgeon at the University of California at San Francisco and principal author of the study, said he undertook the research because he had been successfully treated, for a time, by a clinical ecologist and believed that the testing procedure had merit. The study was paid for by the Academy of Chiropractic Allergy and the American Academy of Environmental Medicine, two organizations for clinical ecologists that total about 2,500 members.

Dr. Jewett said that when clinical ecologists test patients, the patients generally are told in advance what each injection contains. In the study, by contrast, the patients were not told.

To eliminate the role of suggestion in provoking symptoms, each patient was given 12 injections in random order. Three contained the

substance to which the patient was supposedly allergic, and nine were "control" injections containing an innocuous salt solution.

After each injection, the patient was asked to report any symptoms that developed over 10 minutes and then to guess whether the injection contained the allergen.

Patients were about as likely to guess that injections containing salt solution were "active" as they were to identify the allergen-containing injections. They correctly identified 27 percent of the "active" injections, and they mistakenly called 24 percent of the "control" injections "active."

Among seven patients who were given a "neutralizing" injection to relieve their symptoms, the symptoms were likely to disappear whether they had been provoked by an "active" injection or by one that contained salt solution.

Dr. Jewett said he was surprised by the findings. "I believed it was going to be positive," he said, adding that when he reported to the American Academy of Environmental Medicine, "they were mad at me."

"The first thing they said was, 'Who authorized this study?'" he said.

Those Who'd Rather Fight Than Switch

In Los Angeles, Restaurateurs Take Aim at a Proposed Eatery Smoking Ban

By Robert Reinhold
New York Times Service

LOS ANGELES — Just three hours after two city council committees voted to ban smoking in all restaurants in Los Angeles, Michael Taix was back at Les Freres Taix, his 53-year-old family-run French restaurant on Sunset Boulevard, bemoaning the turn of events.

"Smokers spend more money," said Mr. Taix, a nonsmoker. "They have less respect for their bodies. They drink more; they eat desserts. I am told the most natural time to smoke is after a meal and after sex. Can you imagine legislation like this being passed in France?"

This is a city of 8,600 restaurants, a city where eating out is a ritual, an art form, an act of personal expression.

If the council passes such an ordinance, Los Angeles will become the only major city in the country to ban smoking in eating places.

The restaurant industry here is mobilizing, saying that a ban would drive its customers off, to Burbank or another suburb that is only minutes away on the freeway.

The main force behind the motion is Councilman Marvin Brande, a former smoker. The proposal is crucial to protect nonsmokers from the "serious jeopardy" of secondhand smoke, he says.

Restaurants are his special target, he adds, because eating out is almost a necessity now. "It's no longer a casual option," he said Tuesday. "When people go to a restaurant, they want to enjoy it, not be threatened. It is not only direct health concerns; it is a question of how we are going to raise the new generation."

The proposal, passed by the council committees Monday, comes up for a vote of the full council in four or five weeks. If it passes, Los Angeles will join three small cities — San Luis Obispo and Lodi in California, and Aspen, Colorado — although several others are considering such a ban.

New York City and Los Angeles already require all but very small establishments to set aside at least half their space for nonsmokers.

In 1987, the City of Beverly Hills passed a ban, but it was repealed less than a year later

after intense pressure from restaurateurs, who said they had suffered heavy losses.

"Restaurants mostly make money on parties of more than two," said Rudy Cole, former executive director of the Beverly Hills Restaurant Association. "When one person smoked, that determined where the whole party would go. They went to nearby restaurants in L.A."

Now Mr. Cole is executive vice president of a new group, Restaurants for a Sensible Voluntary Policy, or RSVVP, which claims more than 200 Los Angeles restaurateurs as members.

It has had support, for mailings, from the Tobacco Institute, and it uses the same public-relations company, Ogilvy & Mather.

In testimony before the city council, Mr. Cole said "social engineering" was not needed. "If there is one industry committed to accommodating clients," he said, "it's the restaurant business."

"If customers really wanted an end to smoking in restaurants, you wouldn't need an ordinance. The restaurants would rush to stop smoking."

There were mixed views among customers this week at Les Freres Taix, a dark, traditional restaurant that offers hearty French country fare as a kind of antidote to the relentlessly trendy nouvelle ceteris elsewhere in Los Angeles that serve less for more.

Louis M. Signer, a lawyer, looked up from his buttoned leatherette booth to suggest that the smoking section be moved out to the parking lot. "It's unhealthy and offensive," said Mr. Signer, who added that he used to be a heavy smoker.

In the next room, Dr. Michael J. Singelyn, an orthopedic surgeon, had just finished his files mignon with bearnaise sauce, washed down with a 1982 L'Enfant Jesus burgundy, and was lighting up a Don Diego cigar.

"People are making grossly unreasonable attacks on smokers," the physician said. "The secondary-smoke argument is specious." He added that he would go to restaurants outside the city if a ban was passed.

Balancing such competing demands is a bane for Mr. Taix and other restaurateurs. He said his restaurant had gone to great expense

to build separate rooms, with separate ventilation, for smokers.

He argued that customers, not the law, should dictate policy. "I can go back to that restaurant or not," he said. "It should be my prerogative."

The industry argues that a ban would be particularly problematic in Los Angeles, with its high percentage of Latin American and Asian immigrants and tourists. These groups tend to smoke more heavily than Americans, particularly at meals.

Mr. Brande, who represents the affluent West Side, was unimpressed. He said he was optimistic that a ban would get the needed votes, but thought it would be "nip and tuck."

Rain Forests Shrinking At Faster Rate, UN Says

United Press International

NAIROBI — The world's tropical forests are vanishing at a rate twice as fast as was estimated 10 years ago, the United Nations Food and Agriculture Organization said Thursday.

The first estimates from the agency's 1990 Forest Resources Assessment showed that the annual rate of deforestation had risen sharply, to 66,000 square miles (170,000 square kilometers) from 37,000 square miles in 1980.

Ecologists say that the loss of rain forests could damage the balance of oxygen and carbon dioxide in the Earth's air and contribute to the so-called greenhouse effect, the heating of the atmosphere and oceans with potentially disastrous results. Rain forests take hundreds of years to grow.

The agency's director-general, Edouard Saïma, who was in Nairobi for a UN environmental conference, said, "While forests in tropical countries were assumed to be disappearing at a rate of 0.6 percent in 1980, probably underestimating real losses, the present rate has doubled to 1.2 percent."

Herald Tribune

Published With The New York Times and The Washington Post

DUTY-FREE

A special advertising section appearing on October 23-24, 1990

The International Herald Tribune's two part traveler-oriented duty-free section, DUTY-FREE SHOPPING: AN EXPANDING WORLD, will appear on October 23 and 24 to coincide with the annual Tax Free World Exhibition in Cannes, France.

The lead articles will look at the expanding global activities of the \$13 billion duty-free and tax-free business and assess the trade's future in the post-1992 unified European market. A marketing consultant will analyze "Why We Buy Duty Free" and an opinion piece will urge a rapid end to the confusion existing in the intra-European market.

A team of experts will file a series of market reports that analyze duty free's growth and prospects in Eastern Europe, North America, the Pacific Basin, the Middle East and Africa.

Our novel "Sites and Sounds" section will help the busy traveler plan his/her trip by providing crisp reports and snappy profiles of a number of locations active in the duty-free and tax-free sector.

These include airports and/or downtown shops in Abu Dhabi, Amsterdam, Dubai, Honolulu, London, Moscow, Nairobi, New York, Rome, San Francisco, Singapore and other cities. "Sites and Sounds" will also profile some inflight, ferry and border shops.

The themes covered in these reports include an in-depth assessment of innovations and incentives in various outlets, the array of items and layout of stores and, of course, the level of prices.

Lively charts and graphics will illustrate the evolution of leading outlets and product sectors, from perfumes, fashion and fashion accessories to food and beverages. A concluding article will analyze growth potential in tomorrow's duty-free sector.

Contributors to this section will include duty-free specialist Joel STRATTE McCURE, editors from various trade publications (Duty-Free News International, South Publications, Generation Publications), and business writers from around the world.



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A Time for Steadiness

A second diplomatic initiative has now come from Saddam Hussein, and it is a good deal more interesting than his first, which was merely to say that once the Middle East's other disputes were resolved, Iraq might consider evacuating Kuwait. Iraq, you will recall, went to war with a supposedly revolution-embellished Iran in 1980 primarily to take control of both banks of the Shatt-al-Arab waterway lying between them. Now Saddam Hussein offers to accept the old midstream border and meanwhile to start releasing the Iranian lands and prisoners he has been holding for negotiating leverage since the 1988 cease-fire. It is not quite clear what he expects in return, but that seems to be the gist of his message to Tehran.

A cynic might say that with Kuwait now annexed, Iraq doesn't need the Shatt; that abandoning a historic claim to a waterway clogged for 10 years is a mild price to pay for retaining a valuable new conquest and for bargaining Iran out of the anti-Iraq coalition. But this overlooks the political risks Saddam Hussein takes by suddenly abandoning, in only the second week of his Kuwaiti campaign, the supposedly sacred national cause for which he led Iraq to battle with immense losses in blood and treasure. It is hard to believe that even the most ruthless dictator can confidently seal himself off from the consequences of surrender of the goals and fruits of a decade's war.

In the United States, discussion is deepening on the issues of purpose and policy raised by the American response to Iraq's grab of Kuwait and its threat to Saudi Arabia. Although American opinion, like much of world opinion, appears generally supportive, the "What if's" are under intense and nervous canvass.

This is the American style, and it can serve American policy well. The discussion needs to keep in mind, however, that international and regional resistance to Iraq's aggression is giving Saddam Hussein some cracks of his own. Is it accidental that he makes a lavish bid for Iran's favor just as his single sympathetic (and dependent) neighbor, Jordan, comes under a range of countering pressures and indentments from the United States and others?

This is a time for steadiness, not for premature relief. But if Iraq is a long and dangerous way from retreat, it is also a long way from victory.

—THE WASHINGTON POST.

Sensible Arms Policy

In the wake of Iraq's invasion of Kuwait, some siren voices are inviting the U.S. Congress to cut the defense budget and restore money for threatened programs like the B-2 bomber and the Osprey transport plane. That is the way, they say, to maintain an indisputable military edge over Third World dictators. The briefest reflection shows this to be pernicious advice.

It is probably true that the B-2 bomber would be less vulnerable to Iraqi air defenses than the B-52s now available. And a plane like the tilt-rotor Osprey, a novel aircraft with many advantages over the helicopter, would also be nice to have. But these weapons were designed during the Reagan defense buildup to be used in the context of the Cold War. Their utility against countries like Iraq is marginal — and far outweighed by their enormous costs.

At least \$37 billion could now be saved by canceling the B-2 program, and \$24 billion by giving up the Osprey.

In confronting Saddam Hussein, the Pentagon does indeed find itself short of equipment — not glamorous weapons like B-2s or Ospreys but mundane items that it disdained to buy during the buildup years.

The navy always prefers to spend for warships rather than for more transports to ferry the army around. Former Defense Secretary Caspar Weinberger let the services buy whatever they wanted — and now the navy finds it has so few fast transports that it can move only one division at a time to the Middle East.

Minesweepers are another type of humble craft that ranks far down on the navy's priority list, even though mines are a Soviet specialty and an obvious defense for Third World countries. When an Iraqi tanker was suspected of laying mines in the Gulf on Tuesday, the navy had three aircraft carriers in the region but no minesweepers.

If Iraq should attack American forces, the U.S. Air Force's most useful aircraft won't be its beloved B-2 but the A-10, a dedicated tank-busting plane but so slow, cheap and ungainly that the air force has closed down its production line.

America's military capability against countries like Iraq depends on tactics, training, and weapons equipment. The stealth technologies in the B-2 and the valuable tilt-rotor technology of the Osprey warrant development. But the chief value of these gilded weapons now lies in the fortune that can be saved by not building them.

Those savings are all the more urgent given the other pressures on the federal budget. Pentagon spending needs to be reshaped, and the first step is to curb systems designed to meet the now shrinking threat from the Soviet Union. Congress and the services find all reductions painful, but the first retrenchments have been made.

Defense Secretary Dick Cheney made another on Monday in deciding to stretch out purchases of the Seawolf nuclear attack submarine and the Aegis cruiser. Since these decisions are based on the diminishing Soviet threat, the crisis in the Middle East is no reason for reversing them.

Congress should no more listen to the special interests urging a slower cut in the Pentagon's budget than Odysseus's men should have heeded the enchantress Circe, who turned them into pigs. With serious turbulence both abroad and in the economy, this is an occasion when the national interest transcends mere pork.

—THE NEW YORK TIMES.

Other Comment

A Time for Force in the Gulf

There comes a time, as history proves in so many instances, when the world must shout "Enough!" at a man like Saddam Hussein. If this proves insufficient, force is the only alternative. We hope the international military muscle being assembled behind the Saudi frontier does not lead to a fight. But the decision now is in [the] hands of President Hussein. If he steps across the line the world has drawn, he will have to pay the consequences.

—Bangkok Post.

It is not in the interests of many countries around the world that this High Noon drama in the Middle East become protracted. Economic blockades and political isolation, such as are now being applied against Iraq, require time before their efficacy becomes visible. [But] to apply only a strategy of attrition against a country in the hope that it will crumble internally could well create side effects that would further complicate the entire situation.

—The Jakarta Post.

In the current complex situation, it would be apparently quite useful to use the potential of the United Nations, the Security Council and its Military Staff Committee, and not just the efforts of the United States.

—Tass (Moscow).

[Japan] is wholly dependent on foreign oil for all that it does, and so much of that oil comes from the Gulf. Japan is prevented by its constitution from developing or deploying anything other than a force for self-defense. For the Japanese, the best course of action is often the one that permits it to go quietly about its business. But unable to send troops and in the position of not wishing to alienate its Arab oil vendors, Japan needs to figure out its best profile in this crisis.

Tokyo was right in agreeing to join the embargo early, even before the key Security Council sanctions vote, and now it would be well-advised to assume the role of one of the anti-Hussein coalition's key underwriters.

Japan would be a key beneficiary of a more stable Gulf region and would be an even bigger loser than the United States or

Britain if the place goes to pieces. It could offer to help bankroll, for instance, the cost of any UN Security Council peacekeeping effort if one is established.

—Los Angeles Times.

No Room for the News Media

Once again the press has been eulogized out of covering news of tremendous consequence to the American people. For days on end, the public had to settle for newspaper and television reports of fighter planes, military transports and combat troops heading to Saudi Arabia, but not a first-hand word or a snapshot of them arriving. This was an outrageous violation by the Pentagon of the spirit, if not the letter, of its commitment to take a press along when U.S. forces enter a potential combat situation. As tens of thousands of American soldiers, sailors and airmen were pouring into the Gulf to protect the Saudi Arabians from an Iraqi invasion, the traditionally press-shy House of Saud wasn't convinced that it needed to find room for a dozen representatives of the American media. Or so Secretary of Defense Dick Cheney lamely explained in justifying the delay.

—Newsday (New York).

An Acid Test for the ANC

While there has been remarkable progress in the talks between President F. W. de Klerk and Nelson Mandela of the African National Congress, violence is brewing in many parts of South Africa. There is little consensus between the various factions that make up the majority blacks. Worse, the community is rent by divisive forces such as tribalism, communism and religious radicalism. As long as the ANC leadership remains strong and impartial, it is likely that apartheid will be dismantled, leading to free elections. But the ANC has to prove that it can carry the ground. This is an acid test for its so-called reformed leadership intent on bringing about multiracialism and democracy. The ANC will need more young or leaders to secure South Africa's future.

—Berita Harian (Singapore).

The Goal Is Assuring Oil Supply

By Zbigniew Brzezinski

WASHINGTON — The truly vital American interest in the Kuwait crisis is to ensure that the Gulf is the secure and stable source for the industrialized West of reasonably priced oil.

The Iraqi aggression against Kuwait obviously placed that interest in jeopardy. It portended nothing less than the subordination of the Gulf states to a power of demonstrated ruthlessness and radical orientation. Had the United States failed to respond immediately — as it did, with commendable promptness and determination — it is very likely that Iraq would have emerged as the region's dominant power and the preponderant arbiter of the price of oil.

Since the promulgation of the Carter doctrine in 1980, subsequently reaffirmed by the Reagan administration, U.S. policy in the region has been committed to the proposition that American power would be used if necessary to prevent any hostile domination of the Gulf. The U.S. naval intervention in the Gulf during the most heated phase of the Iraq-Iran war was a reflection of that commitment. President George Bush thus acted wisely, and in keeping

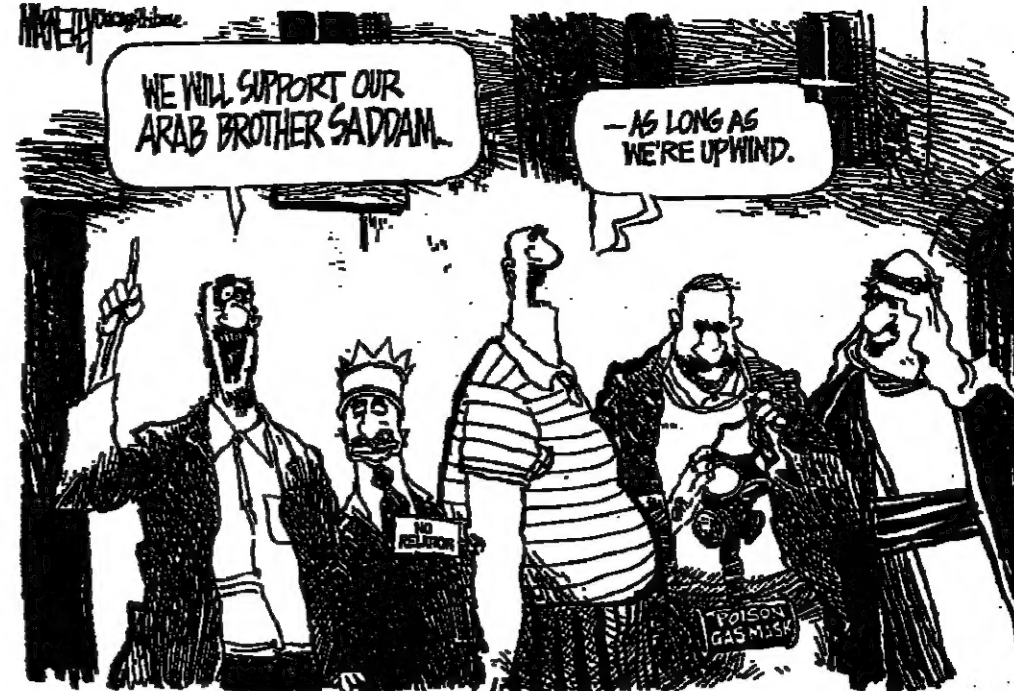
American policy must be to deter aggression but not to lead a crusade. The flow of oil is ultimately an American imperative. The liberation of Kuwait is the international community's responsibility.

with established American geostrategy, when he decided last week to deploy American forces to deter any further Iraqi moves, thereby credibly reassuring Saudi Arabia and the other Gulf states of American willingness to become militarily engaged even alone.

Behind this truly credible American shield it should now prove possible to obtain the cooperation of the oil producers to increase their production. Indeed, even hostile Iran is anxious to pump and export its oil, and friendly producers not only in the Middle East but also elsewhere can make up the Iraqi-Kuwaiti shortfall without too much difficulty. Hence the unilateral but defensive U.S. action with regard to Saudi Arabia is having the effect of basically ensuring the central American interests involved in the crisis.

There appears to be general consensus in the United States regarding these imperatives, and the Bush administration justifiably commands broad popular support for its demonstrated firmness. But the issue becomes more complex with regard to the other proclaimed objective of American policy — namely, the disgorging of Kuwait by its conqueror. Obviously, that, too, is a desirable goal. A brutal and forcible annexation of a member of the international community by a more powerful neighbor cannot be accepted, and it should not be tolerated. The international order would be in grave jeopardy if it were to be otherwise. That is why an international response is in order, and that is why the United Nations has adopted its condemnatory stance.

But the key here is precisely the one that has just been made. An international response, and not a purely or even just a predominantly American one, is needed. If the international community acting in concert can achieve the expulsion of Iraq from Kuwait, it will be all the more to the good. It will establish an important lesson and give the world a commendable example of international cooperation in the first major



crisis of the post-Cold War era. It will establish an important precedent for the future.

These are not empty words. But they will have substance only if two major requirements are satisfied.

The first is that the mandated collective action be truly international, and not just largely an American expedition even if with a large United Nations flag on top. That means that the effort is given serious support, that there is no evasion by the Soviet Union or Japan or any

signed to transform the blockade of Iraq by the international community into a largely anti-American war by the frustrated Arab masses. Here the obvious strategy for Iraq to adopt would be to move into Jordan, thereby precipitating an Israeli reaction and thus detonating a wider and a very different explosion.

In any case, it is especially important for the United States to avoid becoming the highly visible spearhead of any such effort, not to speak of any largely solitary American effort to choke Iraq into disgorging Kuwait. Failure to exercise due caution in this regard could produce any number of truly undesirable consequences.

First of all, the costs of any military effort to expel Iraq from Kuwait could be quite high. It is doubtful that the American public would accept high human casualties as a price worth paying for the restoration of the flow of oil to its shores.

In addition, one must take into account that an offensive American posture, either in any attempted military compulsion of Iraq or even in the enforcement of the blockade, entails formidable risks. The probabilities of escalation are far from negligible. There are simply too many parties in the region waiting to capitalize on the carnage resulting from any military collision. Both Iran and Syria may be tempted to act in order to settle old territorial and political scores. The Likud government in Israel also has a long-standing propensity for unilateral military intervention. Iraq may also find an expansion of the conflict in its own desperate interest. In brief, the region as a whole could erupt into flames.

The result then might not only be

a wider conflict but a generalized interdiction of Western access to oil. In this manner the pursuit of the second major goal — Iraq out of Kuwait — could have the unintended effect of vitiating the attainment of the first and central objective: Western access to oil. This would be especially ironic and tragic, for that access, and reasonable pricing, can be ensured even if Iraq, subjected to a prudent international squeeze (in contrast to a tightly applied American strangulation), remains for the time being in Kuwait.

None of this is meant to absolve Saddam Hussein of having committed an international outrage. But it is to argue for deliberate discrimination, for a policy based on the need of distinctions and not on deliberately generated public hysteria.

An example of such hysteria is the fundamentally misleading comparison between Saddam and Hitler. That analogy overlooks the fact that Hitler led the most powerful European nation, 70 million strong and capable of sustaining itself industrially for prolonged warfare. Saddam leads a mere 17 million, without a war industry or even food production.

In the circumstances, America must act firmly, even unilaterally, but also intelligently. Its policy must be to deter aggression but not to lead a crusade. To put it more crudely, the flow of oil is ultimately an American imperative; the liberation of Kuwait is the international community's responsibility. The former does not depend on the latter.

The writer was national security adviser in the Carter administration. He contributed this comment to The Washington Post.

The Means Are Armed Power and Oil Reserves

By Hanns W. Manli

EICHHSTATT, West Germany — When Saddam Hussein sent his troops into Kuwait he threatened not only one but two interests of vital importance to the world community — and thereby also exposed the degree to which world politics and economics have now become inextricably intertwined.

Iraq's tanks were trying to re-impose military power politics and territorial expansionism in a region of extreme sensitivity to the rest of the world. And Saddam Hussein's move threatened a world recession.

The analogy between Saddam Hussein and Hitler is correct — he has to be stopped. Sanctions are the right way to go about it. Contrary to much received wisdom, sanctions actually can work, up to a point. The response has been encouraging so far. Yet economic sanctions alone may not be enough. They will have to be backed up.

In addition to repelling aggression and pressing forward with economic sanctions, the West must simultaneously face a second task, and the key will be control over the price of oil. Markets alone cannot be entrusted with the job. This goes both for the sanctions against Iraq and for the price of oil.

Governments need to step in by mobilizing their backup power. In the case of economic sanctions, this has to be military power — perhaps a naval blockade. In the case of oil prices, the backup consists of government strategic stockpiles. They should be used to prevent a prolonged price rise beyond a ceiling of, say,

\$25 per barrel. Clear and steady signals by governments that they would be willing to use stockpiles to dampen panic buying could in themselves make a very useful contribution to steady nerves.

The international community has no choice but to take up Saddam Hussein's challenge, for the sake of its long-term security as well as to avoid testing the brittleness of world economic structures. For there, too, the implications of a protracted crisis look ominous: After eight years of growth, a recession would severely test the resilience of international economic arrangements beset by debt mountains and overextended financial markets.

The writer, professor of international relations at the Catholic University of Eichstätt, contributed this comment to the International Herald Tribune.

IT IS vitally important that the officers around Saddam Hussein be made to see the handwriting on the wall. The message should be delivered to these officers that if hostages are harmed they personally will be treated as war criminals, and that if Iraq uses chemical weapons, against any target, nuclear weapons will be used against Iraq. Whether or not nuclear weapons are actually used, in such a dire conjuncture the threat of their use needs to be made clearly now, so that an order from Saddam Hussein to use chemical weapons will be disobeyed, if made, and he himself be killed, before he brings more death and destruction to others.

—Conor Cruise O'Brien in the Los Angeles Times.

Poland: Solidarity's Decade Ends in Decline and Demagoguery

By Abraham Brumberg

WASHINGTON — Ten years after Poland was swept by a wave of strikes that led to the birth of Solidarity, and nearly a year after Solidarity's choice, Tadeusz Mazowiecki, took over the government, that once powerful movement is teetering on the brink of extinction. Solidarity's membership has shrunk from a high of 10 million to a little more than 1.5 million. It is no longer sure of its identity, its program or even its long-range goals. It is now in the throes of a furious internecine struggle. Pitted against each other are Prime Minister Mazowiecki and his allies in the government on the one side, and political leaders outside the government on the other. This is not the first time that Solidarity has been torn by internal feuds, but the latest crisis is the most lethal of all.

At issue, ostensibly, is the policy of the government. In fact, the issue is power. Mr. Mazowiecki, say his adversaries, has led the country into a crisis. He has "betrayed the interests of the workers," dragged his feet on reforms, propitiated the former Communists still occupying a disproportionate number of seats in the parliament, and in the government, and has vested all power in a small group of men responsible directly to him and not to the electorate.

The campaign waged by the "Centrist Alliance," as Mr. Mazowiecki's critics have dubbed themselves, has been rife with invective: "intellectuals," "left-wingers," "a narrow clique of power hungry politicians," and finally (although not unexpectedly in Poland) blatant anti-Jewish stereotypes. And heading this campaign has been none other than Lech Walesa.

It was Mr. Walesa who said that he would cooperate with everyone, even with "intellectuals and Jews." And it was Mr. Walesa who assured a television audience just a few weeks ago that the charge that a gang of Jews

"had got hold of the trough and is bent on destroying us" was not directed "against the Jewish people as a whole" but only at those "who are looking out for themselves while giving not a damn about anyone else." The disclaimer will no doubt reassure thousands of elderly Jews (only of a total of 7,000, whose only touch is the modest aid provided to them by Western Jewish charities).

The root cause of the political crisis in Poland is the social dislocation engendered by the country's bleak economic performance. The "shock therapy" introduced last winter by Finance Minister Leszek Balcerowicz, which envisioned a quantum leap into free markets, has succeeded in wiping out hyperinflation, but it has had a recession, with astronomical prices, burgeoning unemployment (soon to reach 1 million), a drastic drop in the average standard of living and an equally drastic decline in productivity.

Mr. Balcerowicz's program has been severely criticized by a number of economists and political leaders. What the critics object to is not the need to develop a market-based economy but the lack of a well thought out social safety net to protect those worst hit by austerity measures.

The critics also fault the program for encouraging the rise of a nouveau riche class of speculators and black marketeers, side by side with a swelling number of poor. The population must not be asked to tighten its belt for an unspecified period of time without guarantees of an eventual payoff.

A case, then, can be made against the government's economic policies. But those policies have prevailed not, as Mr. Walesa maintains, because of some nasty "plot," not because of the preponderance of former Communists

in the government and parliament, and not because Mr. Mazowiecki doesn't give a damn about the working class. Rather they prevail because the shock therapy was generally approved by all political groups and leaders, including the so-called "left" in many respects now anti-Communist, and including Mr. Walesa himself.

The approval often stemmed from little more than a passionate faith in the market as the panacea for all economic ills. Nevertheless, together with the public's continued confidence in him, that approval gave Mr. Mazowiecki the legitimacy to carry out his policies.

Mr. Walesa cannot disavow his own blessings. And although his charges echo some of those voiced by the moderate critics, he knows that siding with the latter might deprive him of his role as gallant champion of the working people. So he resorts to specious arguments and marvellous promises.

Instead of pleading for a more balanced pace in the move toward free markets, he has called for "acceleration" — although without providing one single concrete suggestion as to which economic reforms can and should be accelerated. And instead of presenting a coherent program of his own, he has traded on two simple slogans: Get rid of the enemies — that is, of all those former Communists who stand in the way of progress — and above all get rid of President Wojciech Jaruzelski and replace him with the real champion of the Polish masses — to wit, Mr. Walesa himself.

When issues are deliberately obscured, demagoguery takes over, hence the immoderate references to his adversaries "intellectual" or "leftist" credentials and the anti-Semitic images. Whether Mr. Walesa really is an anti-Semite is a moot point, as moot as whether he actually believes anything

he says. He is playing on popular hatreds and stereotypes, hatred of "Communists" and their "collaborators," hatred, still embodied in Polish society, of the Jew as major culprit for all of the country's misfortunes, past and present. He is not looking for real causes but for scapegoats.

By the same token, his curious conception of the democratic process — which he has called a "war of all against all" — is dictated less by a commitment to principle than by the exigencies of the moment. A year ago he was in favor of having the next president elected by direct popular vote. Now he wants the parliament to elect the president, evidently on the

not unreasonable assumption that he would stand a better chance of winning in the parliament, especially if he is the only candidate.

It is distressing to see what is happening to Solidarity 10 years after its birth. And it is grim to see Lech Walesa, whose charisma and espousal of pluralism and human solidarity once overshadowed his flaws, mired in a swamp of demagoguery and xenophobia. One would wish for a more salubrious and to the Solidarity decade.

Mr. Brumberg writes frequently on Soviet and East European affairs. He contributed this comment to The Washington Post.

100, 75 AND 50 YEARS AGO

1890: A Trade Dispute

NEW YORK — The President-to-day (Aug. 16) sent to the Senate copies of the correspondence between Minister Whitelaw Reid and the French Government relative to the prohibition of American pork. In his correspondence with M. Ribot, Minister of Foreign Affairs, Mr. Reid shows that France has discriminated against American pork. He says that there is no longer any pretence that American pork is diseased. He refers to the enormous importation of French wines into the United States and quotes recent debates in the French Senate to show that these wines are impure and deleterious to health.

1915: Northern Front

PARIS — Latest despatches from newspaper correspondents in Petrograd indicate that the Germans, after the checks which they have sustained in the northern provinces, have now realized the necessity of reinforcing

The Burden Isn't Fairly Shared

By Robert E. Hunter

WASHINGTON — The Gulf crisis reveals with new clarity a decades-old fault line in the Western alliance: the difficulties in sharing security burdens beyond the area of the North Atlantic Treaty or, in Japan's case, the Western Pacific. A way has to be found to share the burden more equitably.

As in the past, the United States has taken the lead in confronting a critical threat to Western interests in the Middle East. Strategy has been developed and orchestrated in Washington. U.S. military forces will bear the brunt of trying to deter Iraq's dictator, Saddam Hussein, and, if necessary, of confronting him on the battlefield.

As in previous crises involving the security of oil supplies, Western Europe and Japan have for months at stake than does the United States, which depends on Gulf oil for about 5 percent of its total energy needs. Western Europe, on average, is more than three times as dependent, and Japan at least six times. Furthermore, the United States no longer has the responsibility on behalf of the West for containing Soviet power in the region.

It was natural for the United States to assume leadership in the current crisis. No other Western country is yet willing or able to do so, and regional states look to Washington for a credible response to Iraq. But the facts of leadership do not make up for the disparity between effort and interest within the Western alliance, where the United States is contributing far more than its share.

At some point this disparity will surely become apparent to the American public and influence debate on other U.S. commitments abroad. Burden-sharing controversies will re-emerge, affecting both the continued deployment of U.S. forces in Europe and the U.S. role in helping to provide security for Japan.

America's key alliances are already afflicted by tensions over economic issues. Most immediate is a dispute in the Uruguay Round of the General Agreement on Tariffs and Trade over the European Community's measures to protect its farmers. Also brewing is a trans-Atlantic disagreement over the relative economic burdens, and long-term benefits, of aiding the newly liberated states of Eastern Europe.

In short, the Gulf crisis has pointed up the urgent need for a new trans-Atlantic and trans-Pacific compact. This compact must include a means for determining fair shares in meeting what are indisputably common security concerns in areas beyond alliance boundaries.

"Fair shares" does not require that the allies send military forces to the Gulf. No one should urge Japan to extend its military reach. European forces are more important as a show of solidarity against Iraq than as a buttress for U.S. capabilities.

But in terms of money — the increasingly important coin of post-Cold War power and influence — the United States should expect its allies to match its contribution to common security. This includes sharing fully the pain of the economic embargo against Iraq, providing direct payments for U.S. military deployments in the Gulf region and being flexible on trade and other economic issues.

Without such a new allied compact on Third World security issues, clearly and openly arrived at, it will be harder to preserve alliances that remain important for both the United States and its traditional partners.

The writer is director of European studies at the Center for Strategic and International Studies. He contributed this comment to The New York Times.

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OPINION

Baghdad Must Not Be Left With a Nuclear Capability

By A. M. Rosenthal

NEW YORK — In 1981, a small country recognized a deadly danger to its existence. In a courageous act of self-preservation, the country struck out militarily to save itself. In doing so, that country benefited not only itself but the world at large.

Nine years later, the danger has risen again — and again it is to all the nations. The challenge and opportunity to end it now fall to a great power.

On June 7, 1981, Israeli planes bombed the Iraqi nuclear reactor near Baghdad. They thus prevented the Iraqi dictatorship from developing

such as King Hussein of Jordan, did not expect Mr. Bush to react with such courage and force. Even some of the Iraqi Arab "brothers" find themselves forced to stand up to him for awhile, to save their necks. But the West would be even more foolish than usual to forget that some of its new Arab allies gave him billions of dollars before he threatened them directly. The biggest contributors to the Iraqi war chest were Kuwait and Saudi Arabia.

They would be slavishly happy to give Saddam Hussein money and weapons again as long as he went after somebody else — say, Israel.

So the Iraqi shrewdly sends word that he is ready for a deal, some arrangement allowing him to get ready for the next move. Maybe he would even be willing to save the bank accounts of the Kuwaiti emir and his oil-faith family — for a cut, of course.

Saddam Hussein would keep his job and army and build his nuclear threat. In a couple of years, he would be ready again to grab for international dominance, this time armed with nuclear weapons stockpiled at home and scattered in his various terrorist bases abroad. Res easy, we would be told by our experts, he would never dare to use or threaten the use of nuclear weapons. Maybe they would be right at last. But suppose they were wrong, just one more time?

If Saddam Hussein wants peace to regroup, the minimum price must be

The minimum price must be destruction of his nuclear plants, missile factories and launching pads.

the destruction of his nuclear plants, missile factories and launching pads. After the embargo is tight enough to hurt him, the United States should give him a short time — a few days — to permit the entry of an international team to supervise the destruction.

If he does not accept, the United States should do it from the air, with its allies or without. Yes, Israel will still have nuclear capacity. That will be a danger to the West — provided Israel surrenders democracy for despotism, cries Holy War against the West, takes Western hostages and threatens Western economic independence. Preserving that democratic friends and tyrannical enemies the same helped bring us Hitler, Stalin and Saddam Hussein.

A peace that leaves Saddam Hussein ever able to lift a nuclear bomb in threat would be a betrayal of all American forces that are sent now to put him down — or that will face him in the future.

The New York Times



LETTERS TO THE EDITOR

S&Ls, Oil and the Market

In "Too Much Market Doesn't Work" (Opinion, Aug. 2), Kenneth E. Sharpe and Bruce Cate blame the U.S. savings and loan scandal on a free market. The scandal is a direct result of government intervention in the economy. Government deposit insurance guaranteed that the taxpayers would make up losses, while the savings and loans could keep their winnings on risky investments. The system said: Go ahead and take crazy risks; we will bail you out if you lose. That is exactly what the savings and loan institutions did.

The government sold deposit insurance to S&Ls at a flat fee no matter how risky their investments. Any industry with such a sweet deal from the government has an incentive to keep it coming. And the S&L industry was a master at this. Through lobbying, payments and gifts it persuaded the executive branch and Congress to help it take about \$300 billion from the taxpayers. The government reduced the number of examiners and refused requests for more. Congress exempted S&Ls from generally accepted accounting principles. The government ignored reports of major financial losses and even of fraud.

Both political parties and many members of Congress are guilty of permitting this abuse. To blame government is sensible. To blame free markets is nonsense.

ALAN C. STOCKMAN

Rochester, New York

Some years back, Americans had a president with a policy of energy independence. Then we got one who told us

that government wasn't the solution, it was the problem. We didn't need a policy. "The market" was going to take care of all these problems.

So where is America today? In an oil crisis. And broke, thanks in part to non-government not regulating the savings and loan industry.

Give a thought to what the \$300 billion S&L bailout could have bought in synfuels, conservation, environment. Will we get it right this time?

HERMAN ARCHER

Cairo

If America spent on research into alternative energy what it is about to spend on the military operations in the Middle East, it could finally begin to lessen its dependence on foreign oil.

ELLEN SHIRE

Amsterdam

A Dark Side of Kuwait

Having been a teacher in the "intellectual center" that Daniel Pipes refers to ("Kuwait: A Light Has Been Snuffed Out," Opinion, Aug. 11), I must dispute his view of Kuwait before its invasion.

To begin with, he overstates the number of Kuwaiti citizens. Until last year, official census figures indicated so-called Bedouins — Kuwaitis of nomadic descent without nationality — who were recently purged from government jobs and whose children were ejected from public schools. Since the figures were adjusted, "true" Kuwaitis account for only 28 percent of the population and only 1.6 percent of the work force outside government ministries.

To be sure, the leisure class in Kuwait lived well and securely. For the remainder of the population, including more than 300,000 Palestinians and about 500,000 South and East Asian laborers, the reality was quite different. The Philippine and Sri Lankan embassies were overrun by mobs who had been abused by Kuwaiti employers, and the Indian Embassy more than once had to repatriate laborers who spent months in the country living 10 or 20 to a room without plumbing or electricity, and ultimately without getting paid.

As for Palestinians and other Arabs born and raised in the country, they dared not speak out for fear of expulsion. Newspapers were routinely shut down for refusing to print nonsensical government press releases. And Mr. Pipes fails to mention that Kuwait's much lauded parliament was dissolved in 1986.

Few, even among Saddam Hussein's supporters, would deny that the Iraqi leader is a ruthless man with little regard for the individual. But the vast majority of Kuwait's residents will hardly be worse off under his rule than they were under that of Sheikh Jabbar al Ahmad al Sabah, unless the country is invaded from the south and turned into a battlefield.

RICHARD FOLZ

Paris

Infant Mortality in America

In response to the report "U.S. Lagging in Infant Mortality Risk" (Aug. 7): It is a cruel irony that a Republican president, Theodore Roosevelt, proclaimed this The Century of the Child

These Children of the '60s Have Left Gandhi Behind

By Barbara T. Roesser

HARTFORD, Connecticut — Poor Michelle Shocked. Dressed in black, guitar in hand, she sought in vain to exhort the revelers at the 1990 Newport Folk Festival to a mass, anti-war "die-in." Hiroshima, Vietnam, Kuwait. She pushed all the buttons, but the current just wouldn't flow.

"This is my political statement," shouted the bearded man next to us as

MEANWHILE

he stretched out on the lawn, yawned and turned his tanned face to the sun. He and his wife, both of whom looked to be well into their 40s, scurried their newborn baby into his miniature tent. Baby tents were really big at the festival this year, as was tie-dye — tie-dyed pants, skirts, T-shirts, shorts, dresses and hats, entire tie-dyed families. There was no alcohol or marijuana to speak of. Sobriety was in, along with falafel.

Neophyte parents with salt-and-pepper hair and weathered skin were also in abundance. Perhaps if their offspring were older — in the vicinity of draft age

— they might have responded differently to Michelle Shocked's attempt at a pacifist protest. Her plaintive ballad about a young "Vietnam widow" seemed to have the audience momentarily entranced. But then, these folks were of draft age themselves during Vietnam.

There is nothing like self-interest to determine one's political stance, or to fuel or asphyxiate a war. And self-interest is, for all President George Bush's talk of moral principle and the sanctity of national sovereignty, why America now has troops in the Saudi desert. No one wants to pay more for oil.

An editorial cartoon in Newsday last week shows a balding, bearded guy screaming "Nuke Saddam!" and other contemporary battle cries at his television set. His wife observes from the doorway, explaining the strange spectacle to their young daughter: "Your father's a baby-boom liberal, dear. He's never had a war he could support before!"

The sudden threat of higher prices at the gas pump, especially when hard economic times are already upon us, has many of yesterday's Gandhis feeling a surge of pent-up aggression. A recent New York Times poll, for example, shows 74 percent of the public favoring U.S. troops in Saudi Arabia.

The poll shows that support for Mr. Bush's decision to dispatch those troops to Saudi Arabia with education and income. That is, those who are less likely to go are more likely to say that others should.

Historians say that is how public opinion usually goes at the inception of a military action, and such strong consensus about America's involvement in the Middle East is likely to erode as people have time to examine exactly why Americans are there and the potential consequences of their presence. But I'm not so sure. The great thirty-to-fortyish population bulge has the status quo at stake now, not its individual members. Besides, at the attitude of the gentleman who yawned rather than "die in" suggests, getting mellow is in itself an activist statement these days.

In a sort of preamble to the Newport Folk Festival's printed program, Ben Cohen of Ben & Jerry's — the Vermont ice-cream maker and beacon of correct capitalism, i.e., egalitarian management that buys Maine blueberries from Native Americans and Brazil nuts from rain forest farmers — explained why his firm decided to sponsor the legendary festival this year.

"People ask, 'Where are the children of the '60s?' They're at the Newport Folk Festival with their children. And we're poised to lead a multigenerational effort into the '90s that's going to change our country from one that is death-defying to one that's life-affirming. For me, that's what this folk festival is all about — changing things for the better and having fun while we're doing it."

Michelle, you should've offered "em a double scoop of White Russian.

The Hartford Courant

ON MY MIND

atomic bombs that were supposed to be instruments of blackmail, fear and death. Much of the world screamed at Israel, a classic demonstration of global hypocrisy. But in truth every nation understood that Israel had moved the world one step back from self-destruction.

Then, blind with greed and suicidally stupid with self-delusion, the Arabs, the West and the Soviet Union stuffed Saddam Hussein with money, weapons and the material that allowed him to rebuild his nuclear weapon potential.

He built a new plant near Turkey and Jerry day moves closer to the bomb.

Saddam Hussein has used other weapons from which the world thought it was safe: chemicals that burn and choke before killing. He used them in Iran and against his people at home. Who will guarantee that this killer, once armed with nuclear bombs for the delivery missiles he already has, will never carry out or threaten a nuclear strike?

Shall we ask the State Department experts who said Saddam Hussein would never invade Kuwait? And while they are at it, can they also guarantee that he will never slip a few of the bombs in his arsenal to his gangs of roving terrorists to slash away in some Middle Eastern warzone — or in a Western city?

The West is even now afraid to try to rescue its hostages, including the new thousands Saddam Hussein has taken in Kuwait and Iran. Who will dare act against terrorists when they are armed with nuclear weapons?

America is at war with Iraq. When Iraq struck at vital U.S. economic interests and President George Bush properly responded with blockade, that was war. The questions now are how it will be fought and how it will be ended.

Saddam Hussein and assorted va-

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REAL ESTATE FOR SALE

FACE-OFF IN THE GULF: Underground resistance is organized in Kuwait, but in Iraq chance of an opposition coup is slight

In Exile, Kuwaitis Direct Resistance From Saudi Arabia

By Clifford Krauss
New York Times Service

WASHINGTON — The Kuwaiti government-in-exile is directing an underground armed resistance and a wide assortment of public services inside its country, from garbage removal to emergency medical care, according to senior Kuwaiti officials.

"When the Iraqis invaded, we were in shock," Sheikh Sabah al Ahmad al Jabbar al Sabah, the deputy prime minister and foreign minister, said in Washington. "Then we got organized. The people need us."

In a matter of days, Saudi Arabia donated to the exiled government a building in the mountain resort of Al Taif for various ministries to set up offices, a base near the border at Dhahran for a 5,000-man reconstituted army and a radio station by which the royal Sabah family communicates with its people.

Using Bedouin couriers, officials send letters of instruction and money every day to bureaucrats who continue to run vital ministries for exiled ministers. The officials say the couriers have sent orders to the underground, which includes Kuwaiti military units and civilians, to begin open military resistance next week.

"They will begin to feel us," said Sheikh Sabah, the 61-year-old brother of the emir.

"Ours is like the French exile government" of World War II, he said.

President Saddam Hussein of Iraq has said he intends to merge his country and Kuwait. His occupation forces have dismissed the top ministers and ambassadors, and he has vowed that the emir and his family will never return to power.

But Kuwaiti officials say the Iraqis are effectively conceding the operations of the exiled government to keep basic services going. "We are coordinating all health services inside Kuwait," said Health Minister Abdulwahab Al-Fozan. "I'm getting good information on what is going on in our hospitals, medical centers—all we

need to know. All the ministries are functioning the same, through indirect contacts."

He said such services were a form of resistance.

"The people who pick up the garbage won't listen to the Iraqis," said Sheikh Sabah, who is in Washington to meet with President George Bush, Secretary of State James A. Baker 3d and Defense Secretary Dick Cheney. "They only listen to us."

The exiled government and its agents have set up neighborhood committees to take care of police services, garbage collection and emergency health services to supplement the government.

Should the emir's government be able to continue to resist, not only would it make Iraq's occupation more costly, but it might also limit any negotiated settlement for ending the Gulf crisis. The Kuwaiti officials said they would never accept a compromise in which Iraqi troops leave on the condition that a new government is formed.

More than 100 Kuwaiti embassies continue to function, coordinating by telephone, telex and facsimile with the government office in Taif, working to persuade governments to enforce economic sanctions against Iraq.

They have also established committees of Kuwaiti students, tourists and residents to take care of the personal problems of Kuwaitis living abroad. They counsel the emotionally distressed, ease communication among family members and even give financial help to people who wish to travel to Arab countries closer to home.

The Kuwait Investment Office, the London-based bureau that handles Kuwaiti investments abroad, still operates, and it serves as the exiled government's treasury. The office is working with foreign governments to release some frozen Kuwaiti assets in foreign banks to finance the exiled government's operations.

Sheikh Sabah said the office was obtaining cooperation from foreign governments, although it faced much legal red tape.



A U.S. Air Force officer being treated for heat exhaustion. He was stricken while helping to erect tents in Saudi Arabia.

1,000 Firms in Bonn Arms Sale Inquiry

By Marc Fisher
Washington Post Service

BONN — West Germany, which purports to have the world's toughest laws against exporting weapons to countries that are likely to become involved in warfare, is now investigating allegations that more than 1,000 German businesses have illegally sent arms and military technology to Third World countries, including Iraq, a Foreign Ministry source said.

Public prosecutors are looking into allegations that at least 50 companies have sold Iraq plants and know-how that could be used to build chemical, biological and nuclear weapons.

Investigations are under way into companies alleged to have provided Iraq with centrifuges capable of enriching uranium for use in nuclear bombs; laboratories that could be used to create nerve gas, and steel to make cannons.

The close ties between Iraqi and German industry have opened a new debate over the role West Germany has played in helping President Saddam Hussein turn his country into a military power to be feared.

According to the new allegations, the Bonn government was unable to stem the private flow of information and materials to Iraq. One of its own intelligence agents was reported to have sent Iraq material needed to produce nerve gas. Bonn has denied that any of its agents was involved in exports to Iraq.

Since 1984, according to Norbert Gansel, a member of the Social Democratic opposition and leader of a parliamentary committee investigating illegal arms sales, "the Bonn government has known that Iraq, with German support, was producing poisonous gas and missiles. The warnings from our side and the warnings from friendly governments were a waste of breath."

The Iraqis apparently considered West Germany a prime source for materials to produce chemical weapons.

Iraq's ambassador to West Germany, Abdul Jabbar Ghazali, is a close adviser to Mr. Hussein. He arrived in Bonn in 1987 with instructions to buy materials and plants for weapons production for the Iran-Iraq war, according to in-

telegence sources quoted by the West German news weekly Der Spiegel.

Mr. Ghazali vanished from Bonn several days before the Iraqi attack on Kuwait. According to diplomats in Bonn, Western intelligence reports show that he was in the Iraqi port of Basra helping to plan the invasion.

Mr. Ghazali was so successful in his efforts to line up materials for chemical weapons production that Bonn press reports have linked more than 50 German companies to recent sales to Iraq.

"We all know that a number of German companies have allegedly violated these restrictions," a Foreign Ministry official said. "And we have tightened our customs and border checks to guard against this."

Foreign Minister Hans-Dietrich Genscher this week criticized West German businesses that have helped arm Iraq. "West German industry should turn away from those who broke laws to earn money by helping the dictator of Baghdad," Mr. Genscher said. "The good name of German industry is at stake here."

Opposition politicians in Bonn have accused Helmut Kohl's government of insufficient vigilance against such sales. The Federal Economic Office, which reviews export applications, says its staff is not large enough to examine the 75,000 applications received each year.

One company that has traded extensively with Iraq, Pilot Plant, sent laboratories purportedly designed to produce pesticides for use against insects that attack fruits.

But these installations can be used to produce chemical weapons, according to charges now being investigated by the public prosecutor. Pilot Plant is alleged to have built two laboratories used at an Iraqi poison gas facility near Samarra, 65 miles (105 kilometers) northwest of Baghdad.

Pilot Plant has never denied supplying experimental plants to Iraq for research on pesticides, said Dieter Backfisch, managing director of the company near Frankfurt that owned Pilot Plant and disbanded the firm after the government inquiry began. "But C-weapons cannot be produced by this plant."

Repression Makes Iraq Coup Unlikely, Dissidents Contend

By Glenn Frankel
Washington Post Service

LONDON — When a French television station broadcast the execution of the Romanian leader, Nicolae Ceausescu, and his wife several months ago, President Saddam Hussein of Iraq distributed copies of the tape to leaders of his ruling Arab Ba'ath Socialist Party, according to a well-informed Iraqi dissident.

Mr. Hussein wanted them to watch, learn and heed the warning that what happened to Mr. Ceausescu could happen to them if they did not take the necessary precautions, the dissident said.

A few weeks later he ordered the execution of four senior army officers accused of disloyalty and the arrest of 25 pilots suspected of plotting to shoot down the presidential plane.

As the moose of economic sanctions tightens around Iraq, many in the West are hoping that Iraqis will choose to avoid a bloody showdown by overthrowing the ruler who has brought them to the brink of military confrontation with the United States. President George Bush recently suggested that such an outcome would be welcomed by governments throughout the world.

But some of those who know Iraq best—dissidents and opposition politicians who fled to escape harassment or execution—say the likelihood of a successful coup within the next days or weeks is small. Mr. Hussein, they say, has weathered many storms before, routinely crushing opponents and potential rivals.

Still, he has many opponents, including Islamic Shiite fundamentalists who feel oppressed by the ruling Sunni minority, Kurdish nationalists, democrats and communists.

But these opponents are so fragmented and weakened from years of repression, the sources say, that it is doubtful they could mount an effective internal challenge.

"You want someone who can reach Saddam Hussein and finish him off and do it soon, and this is not available," said Selim Fakhr, a former colonel in the Iraqi Army, who is living in London.

What is possible, said Mr. Fakhr and other analysts, is that members of Mr. Hussein's own ruling elite, most of whom come from his home village of Tikrit, may gradually lose faith in Iraq's ability to survive the international opprobrium that his invasion of Kuwait has brought down on them.

It is also possible that one of the periodic challenges to his rule from within the Iraqi Army could succeed.

"The situation they are in now could give impetus to officers or to the Takiis themselves," said Saad Jabr, leader of the New Umma Party, an exiled opposition party. "It's clear they don't want to go down the drain with Saddam."

Mr. Hussein's letter was in response to one by Mr. Rafsanjani dated Aug. 8.

In the Iranian letter, released by IRNA on Thursday, Mr. Rafsanjani said the 1975 border treaty giving Iraq control over the eastern half of Shatt-al-Arab border river must be the basis of peace talks.

"A two-month period which has been set as the deadline for withdrawal from occupied Iranian territory cannot be justified because if this action is based on goodwill it can be accomplished in a matter of one or two days," Mr. Rafsanjani said.

In his letter read on the Baghdad radio on Wednesday, Mr. Hussein said he was accepting all demands of his "Dear Brother" Rafsanjani.

He said Iraqi forces will begin pulling out of Iran on Friday.

Mr. Hussein also attacked President Hosni Mubarak of Egypt for saying that shortly before the Aug. 2 invasion the Iraqi leader had given him assurances he would not attack Kuwait.

Mr. Hussein said he had witnessed "who are still alive" to vouch that he had told Mr. Mubarak he would not use force before the end of negotiations with Kuwaiti leaders in Jidda, Saudi Arabia. The Iraqi Army occupied Kuwait on Aug. 2, about 12 hours after the negotiations ended.

On Wednesday, in a speech at the Pentagon, Mr. Bush said Mr. Hussein had lied to his Arab neighbors about his intentions in Kuwait, and said such dishonesty made him a threat to Saudi Arabia.

"It is Saddam who invaded an Arab state," Mr. Bush said then. "It is Saddam who now threatens the Arab nation. We, by contrast, now seek to assist our Arab friends in their hour of need."

In his reply, the Iraqi president accused Mr. Bush of trying to humiliate Arabs by the use of U.S. military force.

"You're going to be defeated," he said.

"The man you hate most is Saddam Hussein, because his truthfulness to his principles, to himself and to his people and nation makes him their servant and leader, not a servant of foreigners."

Mr. Bush said after the meeting that it appeared that the sanctions against Iraq were "beginning to take hold," and he cited a report that Iraqi bankers had been ordered to stop making sweets.

He said there did not appear to be any shipments of oil coming out of Iraq.

Those are scenarios. What is reality is the ruthless manner in which Mr. Hussein has dealt with opponents in the past. Every dissident has stories to relate, but all fall of the fate of Riyadh Ibrahim.

A London-educated physician, Mr. Ibrahim was minister of health in 1982 when Iranian successes in the Iran-Iraq War were followed by a demand from Tehran that Mr. Hussein be deposed as a precondition for peace talks.

By these accounts the Iraqi cabinet met, and Mr. Hussein asked what he should do. After all of the ministers insisted that he remain in office, he pleaded with them to be candid and offered to resign.

At that point Mr. Ibrahim reportedly suggested that Mr. Hussein might step aside temporarily until a peace accord was final.

Mr. Hussein thanked Mr. Ibrahim for his candor and then ordered his arrest. When Mr. Ibrahim's wife pleaded personally for her husband's release, Mr. Hussein promised to comply.

"His body was delivered to the house the next day in a black bag," said Salah Halim, who heads the Organization for Human Rights in Iraq, based in London. "It was chopped in little pieces."

Analysis says that the army has been a constant source of potential conflict for Mr. Hussein. There have been four credible reports of coup attempts this year alone, according to Laura Myrland, an Iraq analyst at the Harvard Center for Middle East Studies.

To forestall such attempts, Mr. Hussein is continually purging the army's officer corps and playing off branches of the armed forces against one another.

A senior figure in the Iraqi exile movement contends that elements in the army would be more willing to oppose Mr. Hussein if they believed that they would be supported by the West.

"There are officers in the army in contact with us," he said. "They have two questions for us: 'If we make a coup attempt, will you protect us from poison gas? And can we get political help and cooperation once in power?'"

■ **Agreement by Opponents**

The leader of Iraq's Kurdish resistance movement says that Iraqi opposition groups agreed in Damascus last week to join forces if necessary to overthrow Mr. Hussein and seek national elections for a successor. The Washington Post reported from Washington.

Jalal Talabani, who led a guerrilla war against Baghdad during much of the eight-year Iran-Iraq War and whose forces suffered chemical-weapon attacks on a number of occasions, said that he had come to Washington to measure support in the Bush administration for aiding a rebellion.

VOA Updates the Gulf Despite Iraqi Jamming

By Paul F. Horvitz
International Herald Tribune

WASHINGTON — Just as it did during the Tiananmen crackdown in China, the Voice of America has shifted into a crisis mode since the Iraqi invasion of Kuwait. Expanded news coverage and anti-jamming techniques are the focus.

The total hours of Arabic radio broadcasts beamed to the Middle East by medium and short wave have been increased by two and a quarter hours a day to a total of nine hours, 45 minutes.

Satellite broadcasts were added on Aug. 8, allowing some dish owners to receive an audio signal of the U.S. government broadcasts on their television sets.

And phone calls to the VOA's Arabic news dial-in service in Washington are up tenfold.

The Voice of America, an arm of the U.S. Information Agency, estimates its regular weekly audience in the Middle East at about 7 million; the audience in Iraq is normally 700,000.

During times of crisis, the VOA's audience in an affected country usually doubles, according to a VOA spokesman, Joe O'Connell.

■ **Pérez de Cuéllar Rejects Force to Back Sanctions**

LIMA — The UN secretary-general, Javier Pérez de Cuéllar, said Thursday that military force to enforce sanctions on Iraq would breach the United Nations Charter. He said it would be up to the Security Council to decide whether any force should be used.

Pilots Say Iraq's Fighters Shun Face-Offs With U.S.

SOMEWHERE IN SAUDI ARABIA — Iraqi fighters have turned in retreat several times after weapons systems aboard U.S. jets "locked on" to them, U.S. Air Force officers said Thursday.

"They don't want to play with us," a U.S. flight crew chief said in an interview with a visiting pool of American journalists. "If I were in a Mirage and an F-15 locked on to me, I'd get out of there fast too."

Colonel John McBroom, commander of the 1st Tactical Fighter Wing from Langley Air Force Base in Virginia, declined to confirm the reports and said that he had instructed his pilots not to discuss any encounters with Iraqi jets. But he did say that he considered the U.S. air power in Saudi Arabia far superior to Iraq's.

Another officer in the unit and several crew chiefs said the radar-guided weapons systems aboard U.S. F-15s had locked on to Iraqi jets several times during missions near the Kuwaiti-Saudi border. The Iraqi pilots became aware that they had been targeted and fled, they said.

"One of my pilots told me they turn and run as soon as the radar locks on," a crew chief said.

Colonel McBroom said that the fighter unit had felt somewhat vulnerable on the ground when it first arrived last week but had coordinated missions with the Saudis and had received powerful ground-to-air missile systems.

The reporters visited the fighter wing at a Saudi Arabian air base where it has set up camp, using spare Saudi hangars, maintenance garages and other facilities.

Ground rules for the Pentagon press pool operation prohibit the release of the exact location or the exact number of aircraft and other weapons systems or the publication of the names of noncommand officers.

Iran Insists Iraq Withdraw From Kuwait

Compiled by Our Staff From Dispatches

TEHRAN — Iran declared Thursday that peace with Iraq was a separate issue from the current Gulf crisis and renewed its demand for an Iraqi military withdrawal from Kuwait.

President Hashemi Rafsanjani, apparently seeking to ally Iran with Iraq, said that Iran would swing its support behind Iraq, made the remarks in a telephone conversation with President Turgut Ozal of Turkey.

He was speaking a day after Baghdad offered to accept Iranian terms for a formal settlement of the Iran-Iraq war.

"Peace with Iraq is a different issue, and we hold on to our view that Iraq must evacuate its forces from Kuwait territory so as to create the necessary conditions for re-establishment of peace and tranquility," the Iranian news agency

IRNA quoted Mr. Rafsanjani as telling Mr. Ozal.

"We believe that the problem which has been created in the region must be solved by the regional countries in cooperation with one another," Mr. Rafsanjani added.

After the start of the current crisis, Iran condemned Iraq's invasion of Kuwait and pledged to support United Nations efforts to resolve the crisis.

But when Baghdad announced that it was accepting virtually all of Tehran's terms for a peace treaty, concern arose in the West that a settlement could help Iraq break out of its current international isolation.

The Gulf War between Iran and Iraq was halted by a UN-brokered cease-fire in August 1988, but a formal peace accord was not concluded.

Mr. Rafsanjani has issued no

formal response to the Iraqi initiative, but newspapers here have hailed it as a political and military triumph for Iran.

"Congratulations on the great victory to the Iranian revolutionary army," ran a headline in Jomhuri Eslami.

The Tehran radio said hospitals across Iran were put on alert to receive up to 35,000 Iranian prisoners of war, many held since the beginning of the war in 1980, who Iraq said would be released starting on Friday.

The radio said Mr. Rafsanjani received a letter from President Saddam Hussein of Iraq containing the peace offer and Iranian officials were studying it.

The letter was handed over by Barzan Taktiri, representative in the UN European headquarters in Geneva, to his Iranian counterpart, Siros Nassen, who delivered it to Mr. Rafsanjani in Tehran.

EMBARGO: Ships Pile Up at Mouth of Gulf as Sanctions Take Hold

(Continued from page 1)

Malcolm Dunks, director of E.A. Gibson Shipbrokers Ltd. in London, said that about a dozen supertankers, each capable of carrying about two million barrels of oil, were waiting outside the mouth of the Gulf. Normally, he said, two or three might be waiting.

"It indicates that the Saudis haven't increased their output," he said.

He said that 13 or 14 more tankers were scheduled to arrive at the Gulf in the next seven days and 10 or so others in the week after that.

The way it is, he said, "the bulk of these ships are going to be unemployed" until someone, like Saudi Arabia, increases production.

The Saudis have reportedly said that they are prepared to raise their output by as much as 2 million barrels a day above their quota of

5.4 million barrels set by the Organization of Petroleum Exporting Countries. But shipping experts say there is no indication that they have begun to do so.

Reflecting the depressed state of the tanker market in the Gulf, tanker rates have dropped 10 to 15 percent despite sharp increases in insurance premiums because of the war risks, Mr. Dunks said.

■ **Poles Deny Report**

An Iraqi freighter bound for Poland that has been under surveillance by U.S. warships is carrying Polish tank parts but no guns, Polish officials said Thursday in Warsaw. Reuters reported.

Colonel Piotr Pawluczuk, a director of the official arms trade agency, Cenzin, confirmed reports that the ship's cargo of 760 tons of

"technical equipment" included tank components. But he denied a report by the U.S. television network NBC that it was loaded with small arms and ammunition.

NBC reported that the ship was heading for Aqaba via the Suez Canal and that U.S. warships were likely to intercept it.

The Solidarity newspaper, Gazeta Wyborcza, said that the freighter, which it named as the Belques, sailed from the Baltic port of Gdynia on Aug. 1, hours before Iraq invaded Kuwait. Poland banned arms sales to Iraq a day after the invasion.

There was no further word Thursday on two other vessels that Israeli sources have said are carrying arms through the Mediterranean to Aqaba.

MARINES: U.S. to Send 45,000

(Continued from page 1)

including 110,000 Americans, who are expected to join the multinational force.

The force is backed by 500 combat jets and 70 warships.

It includes contingents from Morocco and Britain, with troops from Syria, Pakistan and Bangladesh expected to join them. France, the Soviet Union, Australia and the Netherlands have warships in or en route to the Gulf.

The foreign troops will join a Saudi force of 66,000 men and 180 combat aircraft confronting an estimated 150,000 to 200,000 Iraqi troops.

Iraq has a million men under arms, with 5,500 main battle tanks and more than 500 combat jets. Baghdad's announcement Wednesday that it was to redeploy troops

from its eastern flank with Iran could lead to a significant increase in the numbers facing Saudi Arabia.

In Copenhagen, a Defense Ministry official said that the United States had decided to withdraw all 6,500 troops from an exercise next month by the North Atlantic Treaty Organization in Denmark and northern Germany because of the deployment of forces to the Gulf.

West German warships left for the eastern Mediterranean on Thursday to replace U.S. ships diverted to the Gulf.

A force comprising three minehunters, two minesweepers and a tender left the north German port of Wilhelmshaven and were expected to reach a base on the Greek island of Crete by Sept. 2. The fleet's commanding officer, Wolfgang Nolting, said. (AP, Reuters)

FOREIGNERS: Iraqi Order

(Continued from page 1)

official said. Asked if this meant they had threatened to round up Americans, he replied, "Yes."

Mr. Boucher, the State Department deputy spokesman, said that at the meeting with Iraqi Foreign Ministry officials, Mr. Howell would stress that "force must not be used against Americans."

He said he did not know if the order applied to all Americans in Kuwait. Those in Iraq apparently were not affected.

The Iraqis told the U.S. ambassador that the order for Americans to move to the Kuwait International Hotel, opposite the U.S. Embassy, "was the result of concern about the American community from unspecified threats," Mr. Boucher said.

"Iraqi authorities asked for compliance within two hours," he said, adding that the ambassador argued that that was "a practical impossibility."

He said U.S. officials were informing Americans in Kuwait about the Iraqi order. But Washington's message about how they should respond was mixed.

"We believe that this action is totally uncalled for," Mr. Boucher said. "Most Americans would be better off in their homes."

A Foreign Ministry spokesman in Moscow said Thursday that all 8,000 Soviet nationals in Iraq were being allowed to leave.

The spokesman, Yuri Gremitskikh, said at a press conference. "No Iraqi official has said their evacuation was being prevented, and I have not heard any mention of limits."

(Reuters, AFP)

International Herald Tribune

WEEKEND

- Composer William Schuman
- Soviets in Hollywood
- Arts Agenda



Electronic photomontage by Paul Higdon of The New York Times introduces Groucho Marx and Sylvester Stallone to create a new image of 1945 Yalta conference.

Reality Reels
As Photo Tricks
Are RefinedWith Computers, Images
Can Be Easily Manipulated

by Andy Grundberg

EVER since its invention a shade more than 150 years ago, photography has been seen as a medium of truth and unassailable accuracy. Photographs have been used by scientists to map the planets and identify subatomic particles, by police and prosecutors to solve crimes and convince juries, by newspaper and magazine editors to document events around the world—and few think twice about it. In the words of Oliver Wendell Holmes, a photograph serves as a “mirror with a memory.”

Today, however, the veracity of photographic reality is being radically challenged. The immediate menace—although by no means the only one—is known as computer imaging, an outgrowth of electronic technology that allows anyone to alter a photographic image at will. Even historically important photographs can be refashioned to provide a new version of the past; in the altered photograph of the Yalta Conference reproduced here, Groucho Marx replaces Joseph Stalin, while Sylvester Stallone adds Rambo's presence.

In the future, it seems almost certain, photographs will appear less like facts and more like factoids—as a kind of unsettled and unsettling hybrid imagery based not so much on observable reality and actual events as on the imagination. This shift, which to a large extent has already occurred in the art world, will fundamentally alter not only conventional ideas about the nature of photography but also many cherished conceptions about reality itself.

As electronic images enhanced by computers replace the light-sensitive film photographs, they will inevitably have an impact on fields ranging from art to the law. Those disciplines based on the veracity of photographic appearances, including photojournalism, will either change radically in appearance or wither.

In the future, readers of newspapers and magazines will probably view news pictures more as illustrations than as reportage, since they will be well aware that they can no longer distinguish between a genuine image and one that has been manipulated. Even if news photographers and editors resist the temptations of electronic manipulation, the credibility of all reproduced images will be diminished by a climate of reduced expectations. In short, photographs will not seem as real as they once did.

The decline in the status of photographs as mirrors of reality is not due solely to the arrival of computerized means for altering them, however. The social perception of the medium, which in the final analysis is what determines its persuasive powers, has changed gradually over the course of its history. In the 19th century, photography's hold on the public imagination was so great that even blatantly faked “spirit” photographs, in which ghosts seemed to hover over the living, thanks to the now commonplace technique of double exposure, were taken at face value. As William M. Ivins Jr. put it in his classic 1933 book, “Prints and Visual Communications”: “The 19th century began by believing that what was reasonable was true, and it would end up by believing that what it was a photograph of was true.”

The inherent believability of photographs is a result of their origins in optics and chemistry, as well as of their reliance on Renaissance perspective, which to Western eyes seems perfectly natural. When Americans landed on the Moon in 1969, for example, it was neither the crackling radio transmission nor blurry television images that convinced most of the world of the feat. What served as incontrovertible evidence was Neil Armstrong's eerily sharp color photograph of Buzz Aldrin standing on the pockmarked lunar surface, a reflection of the photographer on his helmet.

Yet when Walker Evans was asked if the camera could lie, the great American photographer is reported to have said, “Always.” To Evans, a sophisticated Modernist, the camera was “the instrument of symbolic actuality,” not of actuality itself. Evans also believed that photography

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The Man Who Is ‘Internationalizing’ Fine Art in Japan

by Kay Itoi

TOKYO—When a Japanese property developer bought Picasso's “Les Femmes d'Alger” for \$51.8 million last autumn, few people knew that Susumu Yamamoto shared the success with Jean-Claude Binoche and Antoine Godeau, the Paris auctioneers who conducted the sale. It was Yamamoto, president of the Fuji Television Gallery here, who organized the world's first simultaneous satellite auction, through which Picasso's 1905 canvas changed hands.

Yamamoto has thus begun something of a revolution in the global art market. Born into a prominent artistic family, an experienced dealer in Western art and employed by one of Japan's leading media conglomerates, the author of this startling innova-

tion could hardly be more appropriately placed. But if his eye was trained from his childhood onward, Yamamoto's family also taught him the hard way to bring a skeptic's perspective to his profession. As a small boy, Yamamoto recalls that he watched as his evil-looking father and grandfather lost their collections to local art dealers, exchanging pieces of unusual quality for next to nothing.

“I never wanted to be an art dealer,” says Yamamoto. “I saw early on how shrewd they could be.” Yamamoto now describes his ambition as spreading and “internationalizing” fine art in Japan. And his position at the Fuji Television Gallery, a unit of the Fujisankai publishing and television group, has proven a near-perfect vehicle.

Along with other Japanese networks, Fuji Television had spent much of the 1980s developing high-technology communications tools such as satellite

systems and high-definition video transmission and display. This was also the moment when Japanese investors first became conspicuous in the world art market, of course, notably with the purchase of van Gogh's “Sunflowers” by the Yasuda Fire and Marine Insurance Co. in 1987.

For Yamamoto, these circumstances presented the perfect occasion to begin realizing his own ambition on a grand scale while extending the applications of Fuji Television's new technology. The missing link came in the form of Guy Loudmer, the Paris auctioneer and a longtime friend and business partner of Yamamoto.

Their collaboration began in 1987, when Loudmer was eager to crack a frontier art market just as it was opening up. Before last November, they held five successful auctions at the Hôtel Drouot in Paris, in each of which Japanese collectors and dealers partic-

ipated through a screen in a Fuji Television studio, where attendants transmitted bids through a closed-circuit telephone line.

Then came Binoche and Godeau, and along with them the idea of enlivening the bid-by-satellite system by auctioning paintings at both ends. Picasso's “Pierrette” would go on the block in Paris, while 26 Andy Warhol canvases were put up for sale in Tokyo. Both sides participated in both cities, and the simultaneous auction was born.

“The Picasso painting had a rather mysterious past, and it was not particularly well-realized,” Yamamoto said after the sale. “But I viewed it as a manifesto by Picasso that he had found his way as an artist.”

That perception made the auction an especially poignant occasion for Yamamoto. “I have customarily

At London's Ivy,
Main Course
Is Art à la Carte

by Claire Frankel

LONDON—Surprisingly little razzmatazz accompanied the re-opening of London's famous theater restaurant, The Ivy, at the end of June. At the height of its glory days, probably 50 years ago (it was founded in 1911), theatrical bon vivants such as Noël Coward, Vivien Leigh, Rex Harrison and Ivor Novello were regulars, as well as those who liked to rub shoulders with the famous, breathe the same air and order from the same menu. It was London's answer to Sardis in New York City. Then the legendary Covent Garden restaurant slunk into a painful decade or four when a fish restaurant

The idea was to create something that really belonged.

chain, followed by others, tried to cash in on its cachet—and failed.

But a smash hit is generally revived. Jeremy King and Chris Corbin, owners of the genial Le Caprice just off Piccadilly, decided to have a go with The Ivy. These two restaurants had been married before when Mario Gallati, maître d' of The Ivy between 1920 and 1945, left to open Le Caprice. Last September, Corbin and King bought the neglected, triangular Ivy property and renovated it, leaving only the multicolored leaded windows and 1930s-style lettering as a reminder of its earlier incarnations. Le Caprice is a chic, black-and-white restaurant, decorated with photographs by Peter Blake and a circus etching by David Bailey, and a wooden wall sculpture by Eduardo Paolozzi. It was a natural, then, for King and Corbin to commission works of art for The Ivy from friends and customers of Le Caprice—some of them Britain's most celebrated artists.

In the midst of the refurbishment chaos, the artists came by to size up their spaces. All of them were given an area to call their own so that, unlike Le Colombe d'Or in Saint-Paul-de-Vence, The Four Seasons in New York or Odins in London, they would have a specific, physical part of the fabric of the building in which to create something that really belonged rather than just hung.

From the outside of the building, at its apex just opposite The Mousetrap (another oldie, opened in 1933), a Patrick Caulfield stained glass window, his first in that medium, attracts attention. Unlike most leaded windows, this one seems to work well from either side.

Howard Hodgkin added a focus to an oak-paneled wall in the main dining room with his whorls of green oil within an oval in a stand-away shield of pteridias. A star-studded collage (Clark Gable, Ava Gardner, Vivien Leigh, et al.) is Peter Blake's nostalgic contribution. The handsome bronze screen at the entry—it looks like it grew there—is by Paolozzi.

THIS is a treasure hunt, with other prizes from Barry Flanagan, Tom Phillips, Joe Tilson, Clive Barker and Liz Rideal. It is quite a lineup.

“I wanted to the idea of doing something that would be an integral part of the architecture,” said Allen Jones, who in his sizable East End studio reproduced the same wall angle as the one he had chosen in the restaurant to create his mural.

He considered two ideas. One was a city interior with musicians and dancers and the other, his ultimate choice, a subject removed from the immediate environment. A non-urban subject, he felt, was more apt and interesting for Londoners. He was drawn to places foreign to his European experience. In his mural, color is used in an impressionistic way, suggesting a

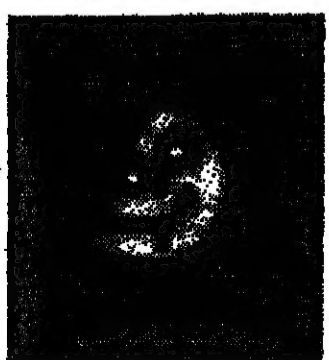
Continued on page 9



Among the works done for the restaurant is this mural by Allen Jones, who “warmed to the idea of doing something that would be an integral part of the architecture.”

CRITICS' CHOICE

Bern Shows Paul Klee's Last Year



day after day, the way he created. But it is also a race against time.” Klee had been suffering from a rare and painful skin ailment for five years when he realized that he would not last the year. Lucid, emotionally aware but unselfish, he looked ahead and faced death in such works as “Death and Fire” (above). The exhibition will be seen only in Bern.

(Mavis Guinand)

The Iron Chancellor in Berlin

The career of the Iron Chancellor, Count Otto von Bismarck, is given its most extensive exhibition in “Bismarck—Prussia, Germany and Europe,” from Aug. 26 to Nov. 25 at the Martin-Gropius-Bau in Berlin. More than 1,000 exhibits from 250 private and public collections in Europe illustrate the career of the statesman credited as the architect of a 26-year peace in Europe, who, according to the British prime minister Gladstone “made Germany great and Germans small.” Standard bearer of Prussia and the monarchy,

Bismarck himself described a statesman as one who “hears the sweep of the mantle of God” and has the wherewithal to “jump up and catch at its hem.”

Montreux's 45th Musical Summer

The 45th festival of Montreux-Vevy on Lake Geneva opens Aug. 25 with a piano recital by Maurizio Pollini, and other pianists scheduled include Claudio Arrau, Lazar Berman and Gustavo Romero (1989 winner of the Clara Haskil competition). The soprano Barbara Hendricks gives several concerts with the Emerson Quartet and other musical colleagues. Yo-Yo Ma and Emanuel Ax cover the Beethoven works for cello and piano, and other chamber concerts bring the Alban Berg Quartet and the violin-piano duo of Shlomo Mintz and Paul Ostrovsky. Orchestras on hand include the Moscow Philharmonic under Dmitri Kitayenko, the Orchestre National de France conducted by Charles Dutoit, the Lausanne Chamber Orchestra under Franz Welser-Möst, the La Scala Orchestra and Carlo Maria Giulini and the Moscow Radio Orchestra under Vladimir Fedoseyev. Rudolf Barshai conducts the festival-closing performance of Beethoven's “Missa Solemnis” on Sept. 7.

Frankfurt's Feste '90

“Musical What Is Music?” is the motto of Feste '90, a vast program that fills the three concert halls of the Alte Oper from Aug. 16 to Oct. 20, bringing a wide range of music under one umbrella. After opening with Stockhausen's “Hymnen,” the program continues with “Bridge Building—From the Neva to the Main,” several programs by 230 students and professors from the Leningrad Conservatory (Aug. 22-26). “Frankfurt's Sonopitium” (Sept. 6-9) is a 10-concert survey of the musical century, from 1890 to 1990. “Response '90” (Sept. 18-23) is a contemporary music project involving composers and Frankfurt schoolchildren. Tchaikovsky's 150th birthday is celebrated in several concerts by the Moscow

Radio Symphony under Vladimir Fedoseyev. Musical Marionette Theater, under Hans Werner Henze, is scheduled Aug. 30 to Sept. 2; the Orpheus operas of Gluck and Haydn are billed Aug. 29 and Sept. 1; Bach and Boulez are paired in six concerts Oct. 1-6. “Jazz-Pop-Alternative” includes a John Lennon Memorial Sept. 28, a Modern Jazz Marathon, Chick Corea, The Lounge Lizards and others. “Other Cultures” offers a troupe of Turkish Dervishes, the Peking Opera and Latin American music. Concerts by major orchestras and soloists complete the roster.

Jasper Johns Comes to Basel

The retrospective of Jasper Johns drawings assembled to mark the artist's 60th birthday by the National Gallery of Art in Washington will be seen in Europe first at the Kunstmuseum in Basel, from Aug. 19 to Nov. 4, then in London. More than 100 drawings, done mostly between 1954 and 1989, show the ideas, motifs and themes familiar from Johns's paintings—the American flag, numbers and targets, letters and maps. (Mavis Guinand)

Stresa's Settimane Musicali

Stresa, on the shore of Lake Maggiore, and the palaces and gardens of the Borromeo islands make beguiling surroundings for the annual Settimane Musicali, from Aug. 23 to Sept. 18. The Moscow Philharmonic plays under Dmitri Kitayenko with Maurice André as trumpet soloist; Václav Neumann conducts the Czech Philharmonic with the pianist Garrick Ohlsson, and Carlo Maria Giulini conducts the orchestra of Milan's La Scala. Other concerts offer the contralto Lucia Valentini Terrani in recital, the Beaux Arts Trio, the Vermeer Quartet, violinist Shlomo Mintz and the Amati Trio, and the pianist Rudolf Firkusny. Several concerts are scheduled by young musicians who have been recent prizewinners of leading international competitions.

WEEKEND

Computers Help Cameras Lie

Continued from page 7

was the most literary of the graphic arts. Like literature, it seems always to be telling us something, about ourselves and about the world.

Before the announcement of photography in 1839, painting bore the weight of narrating history. Painting was, in the critic Robert Hughes's words, "our index of the real." Its capabilities for description were used to record everything from the success of cave dwellers hunting parties to the conquests of Napoleon. But photographs usurped that social and cultural function, freeing painters to concentrate on their impressions of the visible world and, eventually, abstraction.

Now, it could be argued, photography stands in much the same place as painting did 150 years ago. Its method of recording reality is no longer as rapid, versatile or cost efficient as electronically based video systems, including television. Like paintings, photographs no longer need to hold a mirror up to life.

This is already calling into question the essential assumptions of those fields, like photojournalism, that depend on the widespread acceptance of photographs as truth. Advertising photography, on the other hand, which has a long tradition of manipulation and fabrication as a means of achieving marketable perfection, may provide a model for how all photographs will look in the future.

Another potential model for factoid photographs is commercial film. Hollywood movies, which are increasingly in thrall to special ef-

fects generated by computer-imaging systems, are accountable only to the demands of entertainment, not to those of truth. Films can include jumbo jets are blown to bits and the Holy Grail is finally discovered, without losing their mass appeal; why not photographs?

WITHIN the last few years the manipulation of photographs by computer has become a fairly simple operation. A special machine "scans" the photographic image (in either negative or print form), creating a computer code of its shapes, tones and colors. Once this code is entered into the computer's memory, the image can be reconstructed, dot by dot, using a conventional keyboard or "mouse" and software designed for the purpose. Colors can be brightened, backgrounds extended, unsightly elements erased. If desired, elements from other photographs can be added to the image, with shadows drawn in to blend them into the scene. The result, while not yet as seamless as a conventional photograph because of its visible dot structure, can be printed out on paper or transformed directly into printing plates. When printed, the revamped image's telltale computer dots are masked by those of the printing plates.

In the field of art, the ability to alter photographs is seen as an opportunity. Graduate students in photography at the School of Visual Arts in New York City are being taught to manipulate photographic images by computer as part of their required curriculum.



Prime Minister Thatcher and President Bush in Aspen, Colorado; rearrangement at right creates an entirely different impression.



A few artists have begun to investigate the possibilities of computer-aided imagery. Nancy Burson, for example, works with David Kramlich, a programmer, to produce computer-generated portraits. She combines several photographs of movie stars to make an "ideal" star, produces such bizarre composites as a portrait of herself as a

cat and takes a single portrait image and makes its subject years younger or older. Other artists, like David Em, use computers to create entirely imaginary scenes that bear an uncanny resemblance to photographic reality.

But the same technology that opens new horizons for artists poses a conundrum for photojournalists and their editors. Fred Ritchin, the author of a recent cautionary book about the implications of manipulating photographs by computer ("In Our Own Image: The Coming Revolution in Photography," Aperture), warns that because the magnetic storage disks used by still video cameras are "made to be used again, and each image can be individually erased and recorded over, there is no equivalent to an original, archivally permanent negative."

It is impossible to tell whether an electronic image comes directly from a camera or is enhanced by a computer. As Ritchin puts it, "If an editor or production person alters the image en route to the printer, and the photographer records over the original image, then it is virtually impossible to prove how the image was changed, or even the fact that it was retouched."

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Russian Returning Art to Germany

by Jo Ann Lewis

MORE than 360 master drawings and watercolors and two small paintings by Dürer and Goya, presumed lost from a German museum during World War II, are about to be returned to the museum by a former Soviet army officer who carried them in a suitcase 45 years ago for safekeeping.

According to Siegfried Salzmann, director of the Kunsthalle in Bremen, West Germany, the works were rescued from mold and from pilfering Germans and Soviet soldiers at the end of the war by Viktor Balduin. The Soviet officer, who is now 72 and a retired architect, restorer and museum director, came upon them in the ruins of a castle 90 miles north of Berlin, where museum officials had placed them for protection against Allied air raids on the port of Bremen.

The hoard constitutes one of the largest and most valuable collections of art to be returned to any German museum since the Allies redistributed thousands of works found hidden in German salt mines after World War II. At its heart, said Salzmann, are 35 drawings and watercolors by 16th-century German artist Albrecht Dürer. Included are 362 Old Master and modern drawings and watercolors by Raphael, Goya, Rembrandt, Rubens, Delacroix, Manet, Monet and Degas and what is said to be van Gogh's only known drawing for his famous painting "Starry Night."

The works were among 4,000 works of art that had been taken to the castle for safekeeping. "There are still 1,500 pieces missing from our collections," said Salzmann. "This is only a part, but a valuable part. Other soldiers brought these things to Western countries, and we picked them up from art dealers."

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— hand delivery Vienna	A.Sch. 5,400	2,972	3,000
Belgium	B.Fr. 11,000	7,200	6,000
Denmark	D.Kr. 3,100	1,286	1,700
Finland	F.Mk. 2,000	1,276	1,100
France	F.Fr. 1,600	1,212	880
Germany (West)	D.Mk. 600	419	330
— hand delivery	D.Mk. 758	261	399
Great Britain	£ 150	105	82
Greece (West)	Dr. 30,000	29,800	18,000
— hand delivery Athens	Dr. 41,000	31,800	23,000
Ireland	Drl. 155	118	85
Italy	Lira 420,000	389,800	231,000
Luxembourg	Lfr. 11,000	7,200	6,000
Netherlands	fl. 600	492	340
Norway (West)	Nkr. 2,200	2,118	1,200
— hand delivery	Nkr. 2,700	1,686	1,480
Portugal	Esc. 31,000	30,900	17,000
Spain (West)	Ptas. 25,000	25,000	15,000
— hand delivery Barcelona, Bilbao, Seville	Ptas. 35,000	25,000	20,900
— hand delivery Madrid	Ptas. 51,480	—	25,740
Sweden (West)	Skr. 2,200	1,440	1,210
— hand delivery	Skr. 2,800	840	1,540
Switzerland	Sfr. 500	446	275
Rest of Europe, North Africa, former French Africa, Middle East	\$ 500	Varies by country	275
Rest of Africa, Gulf States, Asia	\$ 650		355
Central/Latin America	\$ 600		339

MARKET DIARY

STOCKS: Gulf News Hits Prices

(Continued from first finance page)

45% and American Express lost 1 1/4 to 2 1/4.

Prices were lower on the American Stock Exchange.

The Amex Market Value index dropped 3.81 to 336.83. Declines led advances 430-157 among the 798 issues traded. The price of an average share lost 13 cents. Volume totaled 14,160,000 shares vs. 13,640,000 traded Wednesday.

Fruit of the Loom led the Amex actives, off 1/4 to 12 1/2.

The Nasdaq composite index fell 9.18 to 402.27 but volume was unusually light for the fourth straight session.

"The decline was far from panic selling but there is a lot of apprehension in the market," said Dick Holden, OTC manager at Alex. Brown.

In London, a 10 percent rise in British wages in the year to June gave cause for concern with its inflationary implications ahead of

the publication on Friday of retail price figures, which also forecast to hit 10 percent year to year.

With uncertainties over the Gulf crisis adding to the gloom, activity in London remained narrow, with only 372.4 million shares traded, down from 562.7 million Wednesday.

Insurance issues weakened as Royal Insurance announced a worse-than-expected first-half loss.

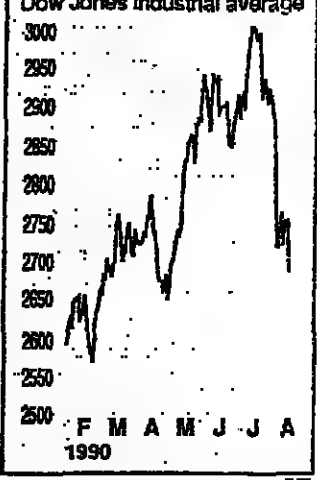
The pharmaceutical group Wellcome fell sharply in reaction to a scientific study about its AIDS treatment, Retrovir. A prolonged use of the drug could increase the risk of lymphoma, a type of cancer, according to the study.

The chemical giant Imperial Chemical Industries PLC weakened in reaction to its sale of a 25 percent stake in Enterprise Oil, which itself recovered some of Wednesday's losses.

(UPI, Reuters, AFP)

The Dow

Daily closings of the Dow Jones industrial average



NYSE Most Actives

Symbol	Vol.	High	Low	Last	Chg.
IBM	1,234,567	120.50	119.50	120.00	+0.50
Microsoft	987,654	45.20	44.50	45.00	+0.50
Apple	876,543	35.10	34.50	35.00	+0.50
Oracle	765,432	25.80	25.20	25.50	+0.30
Novell	654,321	15.40	15.00	15.20	+0.20
QTEC	543,210	10.10	9.80	10.00	+0.20
Philips	432,109	8.50	8.20	8.40	+0.20
Amgen	321,098	7.20	7.00	7.10	+0.10
Amgen	210,987	6.10	5.90	6.00	+0.10
Amgen	109,876	5.00	4.80	4.90	+0.10

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NASDAQ Diary

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Microsoft	987,654	45.20	44.50	45.00	+0.50
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Dow Jones Averages

Index	Open	High	Low	Last	Chg.
Indus	2732.18	2745.34	2728.44	2735.44	+2.26
Trans	102.38	103.54	101.54	102.54	+1.16
Comp	402.38	403.54	401.54	402.54	+1.16

Standard & Poor's Indexes

Index	Open	High	Low	Last	Chg.
Indus	2732.18	2745.34	2728.44	2735.44	+2.26
Trans	102.38	103.54	101.54	102.54	+1.16
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NYSE Indexes

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Dow Jones Bond Averages

Bond	Open	High	Low	Last	Chg.
20 Bonds	102.38	103.54	101.54	102.54	+1.16
10 Industrials	102.38	103.54	101.54	102.54	+1.16

Market Sales

Index	Open	High	Low	Last	Chg.
Indus	2732.18	2745.34	2728.44	2735.44	+2.26
Trans	102.38	103.54	101.54	102.54	+1.16
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N.Y.S.E. Odd-Lot Trading

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SAP 100 Index Options

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SAP 100 Index Options

	S&P	298	297
	Swiss Reinsur	544	538
	Swiss Volksbank	1380	1380
154p	Union Bank	3170	3226
84p	Winterthur	3806	3810
94p	ZURICH INS	1083	1070
193p			
243p	S&P Index : 414.40		
	Previous : 617.88		

EUROPE

KLM Profit Sank 82% in 1st Quarter

AMSTERDAM — KLM Royal Dutch Airlines, the Dutch flag carrier, said Thursday that its net profit plunged 82 percent in the first quarter ended June 30, to 41.4 million guilders (\$23.59 million).

The airline said its results would remain under pressure due to exchange rate developments and costs of air congestion.

Total revenue for the quarter rose 1.8 percent from a year earlier, to 1.67 billion guilders, while total costs jumped 9.4 percent. Fuel costs for the quarter, which ended before the Gulf crisis boosted world oil prices, fell 7.3 percent.

KLM noted that while traffic rose 6 percent above last year's level, income from traffic increased only by 2 percent, reflecting squeezed margins.

"Traffic was still quite reasonable, but when we translate our earnings in pounds, dollars and yen back to guilders it resulted in lower revenues," said a KLM spokesman, Nico Harms.

KLM did not give an estimate for its full-year profit. Net profit was 340 million guilders in the previous financial year, which ended March 31.

On the Amsterdam Stock Exchange, KLM shares fell one guilder, to 25.50 guilders, on the poor profit figure, dealers said.

KLM said its net profit was down partly because of a low 13.6 million guilder extraordinary gain in the quarter, compared with a 125 million guilder gain last year, when it sold the parcel-delivery firm XP-Systems-VOF.

Its operating income dropped to 27.8 million guilders from 105.1 million in the first quarter of the previous financial year.

KLM said its income was reduced by 45 million guilders by currency movements.

Higher depreciation accounted for another 24.6 million guilders of the setback. The company said the higher depreciation charge was due to the introduction of Boeing 747-400 planes.

Minority interests in other airline companies, such as a 20 percent stake in Northwest Airlines of the United States, a 40 percent stake in the Dutch charter airline Transavia and a holding of about 30 percent in Martinair, made a loss of 23.5 million guilders against a loss of 2.1 million in the first quarter of last year.

Hewlett to Shift One Computer Unit to France

PALO ALTO, California — Hewlett-Packard Co. said Thursday that it plans to move its Personal Computer Group headquarters to France from California.

Hewlett said it was moving its division from Silicon Valley to Grenoble, the Silicon Valley of the French computer industry, because it sells more than half its personal computers and terminals abroad and expects continued significant expansion of international markets.

Some research and development operations will remain in Sunnyvale, a company spokeswoman said, and no layoffs there are planned.

Meanwhile, the company said net income in its third quarter fell 5 percent, despite efforts to control costs.

Net income fell to \$178 million from \$187 million the year before, while revenues rose slightly to \$3.24 billion from \$3.1 billion.

"We're seeing a slowdown in a number of our businesses," John Young, the company's president, said.

U.K. Wages Show 10% Rise

LONDON — Average earnings of British workers rose 10 percent in the year ended June 30 despite government appeals to employers to hold down wage costs to fight stubbornly high inflation, official figures showed Thursday.

In another blow to the Conservative government, trailing the opposition Labour Party in opinion polls, unemployment increased in July for the fourth consecutive month, to 5.7 percent.

The increase in unemployment, by a provisional, seasonally adjusted 10,900 to 1.63 million, and the year-to-year increase in earnings, which rose from 9.75 percent in May, were above market expectations.

Speaking of the high wage increases, Robert Jackson, parliamentary undersecretary of state at the Department of Employment, said, "Negotiators should remember that unrealistic settlements put people's jobs at risk and can also destroy the chances for future jobs growth."

The figures confirm that many British manufacturers and financial institutions are still awarding pay increases at or above the rate of inflation. Consumer prices rose by an annual rate of 9.8 percent in June.

David Owen, an economist at the London merchant bank Kleinwort Benson, estimated that wage agreements would continue to show 9 to 10 percent increases until early next year.

"The petrol price shock, leading to inflation, will also intensify upward pressure on wage settlements," he said.

But the rising unemployment, falling job vacancies and an expected drop in retail price inflation later this year should bring pay settlements down by early next year, economists said.

The June wage data do not reflect changes in the labor market in the last month, said Simon Knapp, an economist at Barclays de Zoete Wedd. "The real world suggests the labor market is becoming much slacker," he said.

The government said job vacancies fell by 15,400 in July.

The trend in Britain's jobless rate is clearly upward, said Kevin Darlington, an economist at UBS/Phillips & Drew, adding that the rise was now accelerating.

The wage-inflation cycle may be broken if rising joblessness is accompanied by a fall in retail prices. Retail price inflation was expected to start declining later this year, provided any escalation of the Gulf crisis does not push oil prices up further, said Ruth Lea, an economist at Mitsubishi Bank.

Retail price inflation was expected to climb above 10 percent in August due to higher oil prices, but to fall back by October or November, Ms. Lea said. Retail price inflation was expected to drop by up to one percentage point in autumn as mortgage rate increases, announced last year, are dropped from consideration.

Britain announced on Monday that consumer spending had risen by 1 percent in July, twice as much as market forecasts, despite interest rates of 15 percent aimed at cutting spending power and inflation.

Analysts said the speed of Royal's recovery will hinge on better weather and an improved U.S. performance.

"There is tremendous recovery potential in North America, but it won't happen in a big way until 1992," said one analyst.

In the general insurance market, the company had a loss of \$68 million in the United States, compared with a loss of \$41 million in the year-earlier quarter.

In Britain, it had a loss of \$58 million, compared with a \$76 million profit.

Earlier this month Commercial Union reported that its first-half pretax profit fell to \$16 million from \$90.2 million.

General Accident said it made a pretax loss of \$66.2 million in the first half, down from a \$122 million profit in the year-earlier period.

After the course closed on Wednesday, Hoogovens reported a net profit from ordinary activities of 154 million guilders (\$87.7 million) in the first half, well below last year's 226 million, but at the top end of analysts' forecasts of 130 million to 160 million.

"A lot of people had expected very poor results, but were proved wrong," said Jan Schopman of the trading firm Wolbers. "The shares have risen because of the positive tone of the company's statement and buying by market players who had sold short."

Shares in the Dutch steel group Hoogovens NV rose Thursday, as the market welcomed the group's first-half results and its confident forecast for the second half of 1990.

Hoogovens shares closed at 60.80 guilders, up from 56.80 on Wednesday, but below their opening price of 63.00.

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The trend in Britain's jobless rate is clearly upward, said Kevin Darlington, an economist at UBS/Phillips & Drew, adding that the rise was now accelerating.

The wage-inflation cycle may be broken if rising joblessness is accompanied by a fall in retail prices. Retail price inflation was expected to start declining later this year, provided any escalation of the Gulf crisis does not push oil prices up further, said Ruth Lea, an economist at Mitsubishi Bank.

Retail price inflation was expected to climb above 10 percent in August due to higher oil prices, but to fall back by October or November, Ms. Lea said. Retail price inflation was expected to drop by up to one percentage point in autumn as mortgage rate increases, announced last year, are dropped from consideration.

Britain announced on Monday that consumer spending had risen by 1 percent in July, twice as much as market forecasts, despite interest rates of 15 percent aimed at cutting spending power and inflation.

Analysts said the speed of Royal's recovery will hinge on better weather and an improved U.S. performance.

"There is tremendous recovery potential in North America, but it won't happen in a big way until 1992," said one analyst.

In the general insurance market, the company had a loss of \$68 million in the United States, compared with a loss of \$41 million in the year-earlier quarter.

In Britain, it had a loss of \$58 million, compared with a \$76 million profit.

Earlier this month Commercial Union reported that its first-half pretax profit fell to \$16 million from \$90.2 million.

General Accident said it made a pretax loss of \$66.2 million in the first half, down from a \$122 million profit in the year-earlier period.

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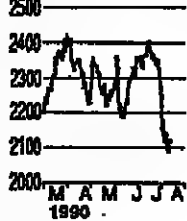
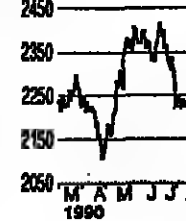
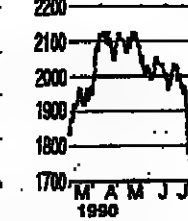
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Investor's Europe

Frankfurt Commerzbank	London F.T. 100 Index	Paris C.A.C. 40		
				
Exchange	Index	Thursday Close	Prev. Close	% Change
Amsterdam	CBS Trend	106.30	107.30	-0.93
Brussels	Stock Index	5737.91	5710.98	+0.47
Frankfurt	Commerzbank	2127.30	2116.20	+0.36
Frankfurt	DAX	1727.42	1742.20	-0.85
Helsinki	UNITAS	537.40	537.40	0.00
London	Financial Times 30	1724.90	1748.20	-1.33
London	FT-SE 100	2222.10	2239.30	-0.77
Madrid	General Index	264.03	260.65	+1.30
Milan	MIB	941.50	934.30	+0.77
Paris	CAC 40	1723.41	1712.03	+0.66
Stockholm	Affarsvarlden	1189.50	1204.40	-1.24
Vienna	Stock Index	621.91	623.62	-0.27
Zurich	SBS	614.40	617.80	-0.55

Sources: Reuters, AFP

International Herald Tribune

AMEX

Thursday's Closing
Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

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Australia Moves Toward Airline Deregulation

By Michael Richardson
International Herald Tribune

CANBERRA — Airline passengers in Australia can expect sharply lower fares on major routes when the domestic network is deregulated later this year, but analysts say they doubt the viability of some new carriers that have promised to cut travel costs by up to 30 percent.

On Nov. 1, a government-sanctioned agreement providing for the most profitable airline routes to be operated by two long-established airlines will end, allowing other Australian airlines to compete for the first time in 38 years.

The two carriers — state-owned Australian Airlines Ltd. and Ansett Airlines of Australia, a joint venture between News Corp. and the transportation giant TNT Ltd. — have said they will match or better cheap fares offered by new entrants.

"Once deregulation comes, we will be fighting for every passenger out there, one way or another," said Graham McMahon, general manager of Ansett.

Qantas Airways Ltd., the state-owned international airline, is not considered a serious player in the domestic market and should not be significantly affected by the plan.

Deregulation would not be extended to allow foreign carriers access to domestic air routes in Australia, Kim Beazley, the Australian transportation and communications minister, said in a recent interview.

The so-called two-airline agreement that will end on Nov. 1 also determines the fares Australian and Ansett charge on major domestic routes, and the seating capacity and types of aircraft they will use.

The result of this duopoly has been identical fares,

which critics assert are excessively high, and many flights by both airlines in and out of major cities at the same time.

The Australian Civil Aviation Authority reported last month that the practice of parallel scheduling had increased congestion and delays, especially in Sydney and Melbourne, the country's two main airports.

Ansett and Australian "fixed everything down to the dimensions of the bins served with breakfast," said Ben Sandilands, travel and aerospace correspondent of The Bulletin magazine.

As part of a policy to inject more competition into the Australian economy, the Labor government of Prime Minister Bob Hawke announced three years ago that domestic airline deregulation would take effect in 1990. Mr. Beazley said that with competition from other carriers "the aviation environment is going to be totally different from the very gentlemanly, clubby arrangements of the two-airline agreement."

He said fares would fall and this would encourage domestic and international tourism in Australia.

At least two new entrants will challenge Ansett and Australian on major domestic routes from November, although one of them, East-West Airlines, is an Ansett subsidiary.

The second challenger, Compass Airlines, has said it will offer a no-frills service with daytime fares that are 20 percent cheaper than the current standard prices charged by Australian and Ansett. Compass plans to offer 50 percent discounts on night flights.

Three other companies have said they are also planning scheduled services on key Australian air routes. Two of them have said they will offer cheap fares.

But analysts doubt that the three smaller challengers

will be able to raise the capital to compete successfully.

Roger Sharp, associate director of corporate finance at Ord Minnett Securities Ltd. in Sydney, said one problem for latecomers would be securing adequate access to the main Australian air terminals.

Ansett and Australian, which have long-term leases on the terminals, will only have to make available a total of two gates each at Sydney and Melbourne, and one each at Adelaide, Perth and Coolangatta on the Gold Coast of Queensland.

"This will severely restrict the number of flights that the startups can operate," said Colin M. Gibson, publisher and executive editor of Asian Aviation magazine.

East-West, however, will have access to Ansett terminals.

Despite a near recession in the Australian economy and investor caution about backing new ventures, Compass successfully raised 65 million Australian dollars (\$52.5 million) on the Australian Stock Exchange in June.

This enabled the company to sign firm leases for seven Airbus A300-600s, each configured to seat 280 passengers.

But Mr. Gibson said that offering cut-rate fares to gain market share was "a dangerous game because both Ansett and Australian have the resources to fight a price war and are already cutting operating costs to match the competition head on."

John King, an aviation consultant at Avmark Inc. in Melbourne, said that at the start of deregulation, fares would fall sharply.

"Then they will rise, but they will remain below today's levels," he added.

Copycats Prosecuted By Cartier

Readers

JAKARTA — The French fashion house Cartier, saying copycat producers are ruining its image by selling fakes even in Indonesia's most fashionable boutiques, took legal action to court on Thursday.

"Shops shamelessly sell Cartier-labeled watches, glasses and leather goods supplied by local producers, which are sometimes not even similar to the original designs," said Dermawan, a lawyer with Hadipranto & Hadipranto. The firm is representing Cartier International.

"It's really damaging the image of my clients," he said. "We wish to bring them to court."

A trial began on Thursday involving eight local firms that label their products with the famous trademark.

But Indonesia's confusing copyright laws may turn the courtroom into a minefield for the luxury-goods producer.

A 1961 law decrees that the first company to register a trademark has the right to use it on its products. When Cartier registered at the patent office three years ago, it found a number of similar names, such as Cartier City and Cartier, already listed.

Many produced watches, belts and sunglasses similar to Cartier's own.

"We could not simply revoke their permits because they were registered properly at that time," said an official at the Justice Ministry.

In 1987, the justice minister issued a decree that prevents any new registration of internationally known trademarks.

That will not help Cartier, whose problem predates the new law. Mr. Dermawan said Cartier was suing the eight legally registered firms for "unfair competition."

If Cartier wins, the firms face an unlimited fine of 13,000 rupiahs (\$7,000), or a year and four months in jail.

Retailers in Indonesia are not subject to the law.

"So shops keep the counterfeit items in their display windows," said an analyst. "It encourages suppliers to keep producing, which in the end might endanger Indonesia's business with countries where the trademarks come from."

Investor's Asia

Hong Kong	Singapore	Tokyo
Hang Seng	Straits Times	Nikkei 225
3500	1600	30000
3200	1400	28000
3100	1300	27000
3000	1200	26000
2900	1100	25000
2800	1000	24000
2700	900	23000
2600	800	22000
2500	700	21000
2400	600	20000
2300	500	19000
2200	400	18000
2100	300	17000
2000	200	16000
1900	100	15000
1800	0	14000
1700	0	13000
1600	0	12000
1500	0	11000
1400	0	10000
1300	0	9000
1200	0	8000
1100	0	7000
1000	0	6000
900	0	5000
800	0	4000
700	0	3000
600	0	2000
500	0	1000
400	0	0
300	0	0
200	0	0
100	0	0
0	0	0

Sources: Reuters, AFP

Seoul Tells Samsung It Cannot Build Trucks

Readers

SEOUL — South Korea has turned down an application by Samsung Heavy Industries Co. to assemble large trucks, cement mixers and tractors beginning next year. It said output would be doubled in 1992 and increased to 4,200 units in 1995.

The government's decision followed strong opposition from South Korea's five carmakers, which said another one would cause an oversupply of cars and hurt the domestic auto industry.

"We have no plans to produce passenger cars and the existing carmakers' concerns are unwarranted," a Samsung spokesman said.

Samsung asked the government in July for approval to assemble the vehicles, with parts and technology supplied by a company that is partly owned by Nissan Motor Co.

"We know that orders for large-scale commercial vehicles are not currently met by producers," the official said. "But this is a temporary problem caused by an over-heated construction sector and a shortage of parts due to labor disputes in part makers. We expect the problem to ease in the second half of 1991," he added.

Samsung, saying that truck buyers have to wait more than a year after placing orders in South Korea, proposed in July to assemble 1,200 trucks, cement mixers and tractors next year. It said output would be doubled in 1992 and increased to 4,200 units in 1995.

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TRW: Choate, a Critic of the Japanese, Is Forced Out

(Continued from first finance page)

consider that the opinion of TRW."

"TRW officials got very nervous because of all the attention the book was getting," said one friend. "Pat's being separated from TRW is a metaphor for the book," said another.

The friends did not want to be quoted and said they feared that publicity would hurt Mr. Choate's separation agreement, which includes an opportunity to work as a consultant for TRW.

TRW on Wednesday said that Mr. Choate had resigned as vice president for policy analysis to pursue a full-time career as a writer and lecturer.

TRW issued a statement quoting Mr. Gorman: "We have long recognized Dr. Choate's unique capabilities and his unique contributions to TRW. We wish him the very best in his new endeavor."

The statement quoted Mr. Choate as saying, "I thoroughly enjoyed my association with TRW and I look forward to embarking on the next phase of my career." He declined to comment further.

The bearded Mr. Choate, who as a boy picked cotton on his father's farm in Maypearl, Texas, used his Ph.D. in economics, his sharp mind, glib tongue and a skillful writing style to contribute heavily to political debate in the capital.

His major theme concerned strategies for strengthening American industry to make it more competitive in a world in which economic power had become more important than nuclear weapons.

He was nonpartisan, dealing with both Republicans and Democrats on Capitol Hill. He appeared on television talk shows and think tank panels, testified at congressional hearings and was quoted in numerous newspaper and magazine articles on the state of the American economy.

He still worked full time for TRW, whose former chairman, Robert F. Mettler, hired him to deal

with national policy issues. His assignment was to focus on long-term public policy issues of particular importance to TRW, the company said, and its statement praised Mr. Choate for drawing "national attention to America's manufacturing competitiveness and the declining condition of our national infrastructure."

In recent years Mr. Choate had become a visible member of a group of American analysts advocating a new, tougher approach to Japan. A prominent lobbyist himself, he became known particularly for his criticism of Japan's lobbying strategies, particularly its hiring of former high U.S. government officials to plead its case with federal, state and local officials.

His book, which will be previewed in a Harvard Business Review article this fall, reportedly describes extravagant efforts by Japan to influence governmental and academic thinking, in the latter case through contributions to universities and think tanks.

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Taiwan Cuts 1,900 Tariffs To Boost Its Bid for GATT

Readers

TAIPEI — Taiwan will reduce tariffs on about 1,900 goods in a move designed to support its bid to join the General Agreement on Tariffs and Trade, the Finance Ministry said Thursday.

A ministry section chief, who did not wish to be named, said the government was drafting a list of about 1,900 imported products, including cars, auto parts, agricultural goods and precision instruments, that could have their import tariffs cut early next year.

"The purpose of our tariff cut is to encourage imports and liberalize our market," she said in a telephone interview. "It is also in line with our plans to join the GATT."

Taiwan applied in January to join GATT. China has also applied to join the organization and has insisted it join the trade body before Taiwan, whose government fled China in 1949.

Taiwan cut tariffs on 4,738 foreign products last year and reduced import taxes on 75 imported goods earlier this year, the official said.

The cuts helped Taiwan reduce its effective tariff rate — calculated by dividing all import taxes received by the value of imports — to 5.79 percent this year from 6.28 percent in 1989.

The rate will be further lowered to 4.3 percent in 1991, 3.9 percent in 1992 and 3.5 percent in 1993.

"By 1993, our tariffs will be comparable to those from Japan, the United States and European Community," said another official, Wang Der-hua.

■ Taiwan-China Trade

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SPORTS

Asian Games: Politics Intermingled With Athletics

By James Sterngold
New York Times Service

BEIJING — At a busy intersection here the other day, a young policeman wheeled around and scolded a knot of bicyclists for stopping in the middle of a crosswalk.

When one of the bewildered cyclists pointed out that there was no crosswalk painted on the newly repaved boulevard, the officer said: "You know the rules! What would a foreigner think of such a stupid excuse?"

With an edge of nervousness, a few sharp warnings and a flurry of activity counter to the usual languid summer pace of the Chinese capital, Beijing is preparing for its biggest diplomatic event in years: the 11th Asian Games.

Though technically a sporting event, the 16-day Asian Games, which start here on Sept. 22, have become a major public-relations and political exercise.

The last host, South Korea, used them and then the Olympics to make diplomatic breakthroughs with former enemies in the communist world.

The games are now proving useful for China, which is trying to wipe away the stain of its suppression of the democracy move-

ment in June 1989 and smooth its effort to be host of the Olympics in the year 2000.

"To be quite frank with you, the events on June 4 created some inaccurate impressions in the minds of people overseas," Wu Zhongyuan, an executive member of the organizing committee, said in an interview in the main hall of the newly constructed Asian Games Athletes' Village.

"The principle of the 11th Asian Games is, as we put it, to demonstrate our unity, friendship and progress," Wu said.

There is anxious anticipation, for instance, that President Roh Tae Woo of South Korea, which does not have relations with China, may visit.

Recently, China normalized relations with Indonesia, began them with Saudi Arabia and is expected to announce the formal establishment of relations with Singapore just before the symbolic flame opening the games arrives here from Tibet.

Another attempt to demonstrate amity was the decision to begin the flame's journey in the remote mountains of Tibet, which was forced to submit to Chinese rule during the 1950s and was put under martial law last year because of anti-Chinese riots.

[But threatening to disrupt the games here is Iraq's invasion of Kuwait and Wu admitted Thursday that the Gulf crisis would certainly affect the games, Agence France-Presse reported.

[The Olympic Council of Asia, which controls the games, was based in Kuwait and has ceased operations since the Iraqi invasion. The council's president, Sheikh Fahad al Ahmed al Sabah, a member of the Kuwaiti royal family, was killed defending the royal palace, and Wu said, "We are now at a loss as to which chairman to contact."

The government has attacked the preparations for the event with such energy that it has left many Beijing residents surprised by the show of industrialism, if not cynicism at the thought that millions of images of smiling pandas hung all over town can help restore the government's image. The symbol of the games is Pan-pan, a chubby panda bear.

Parts of the city usually hidden by gray walls or walls of stacked bricks have received fresh coats of plaster and paint, the first in decades.

The government announced that it had

increased by 10 times the fine for spitting in public, to the equivalent of \$1.00.

Bicyclists have been warned that they will be fined if they continue to ride outside bike lanes or cross intersections against the light, a problematic threat given that there are an estimated 7.5 million bicycles in the capital.

The wide avenues approaching Tiananmen Square, which were scarred by the tanks that rolled through last summer, have been repaved.

The only visible reminder of the killings are the broken steps of the revolutionary martyrs' monument in the middle of Tiananmen Square, crushed by tank treads during the crackdown on pro-democracy demonstrators.

There have been more than 1,000 executions of criminals since May, which China has said are part of a crackdown on crime.

Several Western diplomats said the well-publicized executions were also meant as a warning to would-be troublemakers.

"Generally speaking, the situation is stable in Beijing now," Wu said. "I can assure you there will not be the kind of unrest we experienced last year."



After 11 years with the Lakers, Michael Cooper was teary-eyed at announcing his departure.

Cooper Leaves Lakers To Seek Deal in Italy

The Associated Press

INGLEWOOD, California — The lure of a multi-million-dollar offer to play professional basketball in Italy has brought an end to Michael Cooper's 11 years with the Los Angeles Lakers, years in which the team won five National Basketball Association titles.

Cooper, the premier sixth man and defensive specialist for the team, announced Wednesday the Lakers had agreed to put him on waivers, which would allow him to sign a contract with the Italian team.

The 6-foot-7, 176-pound (3-meter, 80-kilogram) Cooper helped develop the famed Lakers fast break with steals and timely rebounds against heavier, taller opponents. He averaged 9.4 points per game, but a statistic more telling was his 1,236 steals.

He told a news conference at the Laker offices here in suburban Los Angeles that his agent has asked all other NBA teams not to claim him in the waiver period, which ends Friday, because his contract demands to stay in the NBA would be prohibitive.

Cooper, 34, who earned about \$600,000 last season with Los Angeles, was expected to match or exceed that with a multi-year contract in Italy.

Cooper, voted to the NBA's all-defensive team eight times, five as a first teamer, also is the NBA leader in 3-point shots made in playoff games, 124 of 316.

In Milan, The Associated Press reported that Jay Vincent, a member of the Lakers last season and a nine-year NBA veteran, had signed a one-year contract worth \$700,000 with Philips Milan of the Italian League. Vincent, 31, had a career scoring average in the NBA of 15.2 points a game.

Basketball, Argentina: An Unfamiliar Match

By Eugene Robinson
Washington Post Service

BUENOS AIRES — The quarterfinal games have been played at the World Basketball Championships, with Puerto Rico, the United States, Yugoslavia and the Soviet Union advancing to Friday's semifinals. With the way things have been going here, just getting the games played has been an accomplishment.

For the record, Puerto Rico was led by 22 points and 10 rebounds from Jerome Ortiz in beating the United States, 81-79, on Wednesday in the quarterfinal round-robin game that only decided semifinal opponents. And in Wednesday's other games, Yugoslavia beat Greece, 77-67; Australia defeated Argentina, 95-91, and the Soviet Union downed Brazil, 110-100, behind Valeri Tikhonenko's 38 points.

The United States will play Yugoslavia in one semifinal on Friday and the Soviets and Puerto Rico will meet in the other.

Figuring out the scores and the pairings has been the easy part. Where are the buses? Where are the locker rooms? For that matter, where are the teams, several having been stalled away at hotels that the guide books would charitably call "modest."

Argentina, fundamentally a soccer kind of place, is straining mightily to host this 16-team hoops extravaganza. For one thing, the game is slightly alien: All around Buenos Aires it is common to see kids playing soccer on outdoor basketball courts that haven't seen a basketball in years. For another, tournament organizers must contend with a stubborn economic crisis that makes everything just a little harder to pull off.

"Terrible," said Efthimis Kioumourtoglou, coach of the Greek team, when asked about the tournament logistics. "We don't even like to think about that."

Kioumourtoglou's squad arrived early, at the beginning of the month. Things went downhill from there. "Nothing is ever on time," he said. "We never know

when the bus will come, where it will take us, when we can practice, where we can practice. We're very disappointed."

Tournament organizers had booked the Greeks into a small, out-of-the-way hotel that Kioumourtoglou found "just impossible." At its own expense, the team moved to the pricey Sheraton, which at least functions.

The U.S. team was luckier, having been at the Sheraton from the start. But, like the Greeks, they had to play all their first-round games on the other side of town, which meant hour-long bus rides in the chaos of Buenos Aires rush-hour traffic.

There does not exist in Argentina a single major arena suitable for basketball. The closest thing is 9,000-seat Luna Park in downtown Buenos Aires, an aging auditorium more often given over to noisy political rallies and rock concerts. Outfitted with a new floor, Luna Park hosted the quarterfinals and will be the site of the semifinal and final games.

But politics dictated that there had to be at least one tournament site outside the city limits, in Buenos Aires Province. So the United States, Greece, South Korea and Spain were not allowed to play their first-round games at Luna Park, within walking distance of all the downtown hotels. Instead, they had to make the trek to a distant suburb called Villa Ballester to play in the German Society's spotless but tiny auditorium.

The United States and Canada both wanted to host the 1990 championships, but Argentina won out four years ago when the International Basketball Federation made the site decision. That victory was largely the result of wheeling and dealing by Amadeo Cajas, who was then the

strong-willed head of the Argentine Basketball Federation.

Cajas was eventually eased out and the federation found itself obliged to stage a \$6 million show, at a time when \$6 million is major money in Argentina.

The several hundred reporters who have come to witness the championships have encountered, simply, a nightmare. Many were required to put up a \$250 deposit to reserve a spot and, now, in seeking to get that money back, are encountering Argentine bureaucracy at its finest.

Press rooms have been set up at all the sites, but they exist more in name than anything else. "Things work better in Albania!" one Spanish correspondent screamed as a technician tried unsuccessfully to jury-rig a connection that would let him plug in his laptop computer.

For better or worse, however, Buenos Aires is for these few days the center of the basketball world. And so it has attracted that world's denizens, like the former Milwaukee Bucks coach Don Nelson. Nelson would like to coach the U.S. Olympic Games squad in 1992 and is in town scouting the opposition.

"I don't think I'd better comment on the arrangements," he said. "I don't want to get myself in trouble."

One player has caught his eye. Toni Kukoc of the Yugoslavian squad, an agile, 6-foot-9-inch (2-meter) forward.

"He could be a major player," Nelson said. "Everybody likes him," said Ray Dalman, coach of the Puerto Rican squad. "The one thing is that he's a leftie and does everything with the left. He switches to the right hand to dribble and then boom, right back to the left. But if he ever works on his right, everybody's in trouble."

Strange conversations like that fill the air in Buenos Aires these days. Next week everyone will get back to talking about players who dribble with their feet, as God intended.

BOOKS

A NATURAL HISTORY OF THE SENSES

By Diane Ackerman. 331 pages. \$19.95. Random House, 201 East 50th Street, New York, N. Y. 10022.

Reviewed by Christopher Lehmann-Haupt

NOT long ago, I spent some time in Texas, studying bees. Diane Ackerman writes in her delightful celebration of human sensation, "A Natural History of the Senses," "I placed a large Indonesian flying fox in my hair, to see if it would get entangled, as the old wives tales warned. Not only did it not tangle, it began to cough gently from the mingling smells of my soap, cologne, saltness, oils, and other human odors. When I put it back in its cage, it cleaned itself like a cat for many minutes, clearly feeling soiled by the human contact."

Ackerman's point here is the pungency of human body odor, among the strongest in the animal kingdom. But the passage tells us as much about the author, whose curiosity about the world drives her to extremes.

The subject of the human senses is impossibly broad and formless. A cerebral, systematic writer might easily dedicate the reader with catalogues of taste buds, nerve endings and the parts of the inner ear. But Ackerman is a sensualist, or someone who rejoices in sensory experi-

ence. ("A sensualist," on the other hand, "is someone concerned with gratifying his sexual appetites.") She revels in the world, whether she is tagging monarch butterflies in a California eucalyptus grove or naming the robotic voices, Gort and Gertie, on her telephone answering machines, or discovering that the "delicate filaments of syrup" on top of Turkish pastries she and her mother had just savored were actually parts of "sugar-delicious bees" who had gotten their legs stuck in the syrup and had flown away without their legs.

"A Natural History of the Senses" is full of answers to the sorts of questions that the child in each of us often asks. The sky is blue because of the way the particles in the atmosphere refract the sun's white light. The sun is often magnified near the earth's horizon because as it "sets" its light has "even more dust, water vapor, and air molecules" to travel through. Fireflies light up by blending two chemicals, luciferin and luciferase. People wrinkle their noses "to move the molecules of small cello to the olfactory receptors hidden awkwardly in the back-most recesses of the nose."

But what draws you most happily through this book is the language with which Ackerman shows you the world. "Few animal displays are as thrilling to watch as the 'water dance' of a male alligator. Stretching its enormous head out of the water, it puffs up its throat, tenses hard like a body builder, and then a rolling thunder-buster bellow splits the air, and the water sizzles all around its

body, raining upwards like frying diamonds." Maple trees "launch tadpole-shaped seeds that fall whirring down, all blade, all propeller, like small autogyros." It is no wonder that she has published three collections of poetry: "The Planets: A Cosmic Pastoral" (1976), "Wife of Light" (1978), and "Lady Faustus" (1983), and taught writing at a variety of universities.

In a section on synesthesia, or the way one sense stimulates another, Ackerman surveys how writers invite their muses. Schiller miffed his rotting apples, of course, and Robert Louis Stevenson, Mark Twain and Truman Capote simply lay down. John Ashberry "first takes a walk, then brews himself a cup of French blend Linder tea, and listens to something post-Romantic ('the chamber music of Franz Schmidt has been beneficial,' he told me)," and W. H. Gass takes photographs of the "rusty, derelict, overlooked, down-trodden parts of the city," of "filth and decay, mainly."

But Ackerman plunges into her sensorium. She bites a potato chip, reports how food engineers designed it to assault the eater with its noise, and traces its history back to its accidental invention by George Crum in Saratoga Springs, New York, in 1853.

Ackerman gives the reader the richest possible feeling of the worlds that the human senses take in.

Christopher Lehmann-Haupt is on the staff of The New York Times.

BRIDGE

By Alan Truscott

FOUR decades ago a combative bridge writer named Alphonse Moysse Jr., known as Sonny, used to advocate the advantages of playing in a 4-3 trump fit. He was thinking of major suits, and he would have been intrigued by the diagramed deal, on which North-South played the "Moyasian fit" in a minor suit, rejecting two plausible seven-card fits in the majors. North and South were Roberts and Mark Epstein of South Orange, New Jersey, one of the country's best husband-and-wife partnerships. South's one no-trump response to his partner's double showed his strength and distribution accurately but wrongly suggested a club stopper. He later retreated from three no-trump, hoping that his cue-bid would induce his partner to bid a major. But she jumped to five diamonds, and he was in a 4-3 fit, facing a bad split that seemed likely when East passed rather slowly.

The opening club lead was won with the ace, and a spade finesse lost to the queen. A club was ruffed in dummy, and another spade lead removed the ace. West now shifted to the heart queen, and South won in dummy. He drew one round of trumps with the king and cashed two spade winners, throwing a heart and a club. Then he cashed the heart ace and crossed to make his contract. Three no-trump and four hearts would have failed, though four spades makes, but with this line of play five diamonds could not be defeated. The shade of "Sonny" Moysse is surely delighted.

WEST (N)

♠	AKQJ
♥	QJ3
♦	QJ10
♣	AKQJ

EAST (S)

♠	AKQJ
♥	QJ3
♦	QJ10
♣	AKQJ

North and South were vulnerable.

The bidding:

	North	East	South
1♣			1♣
1♦			1♦
1♥			1♥
1♠			1♠
2♣			2♣
2♦			2♦
2♥			2♥
2♠			2♠
3♣			3♣
3♦			3♦
3♥			3♥
3♠			3♠
4♣			4♣
4♦			4♦
4♥			4♥
4♠			4♠
5♣			5♣
5♦			5♦
5♥			5♥
5♠			5♠

West led the club king.

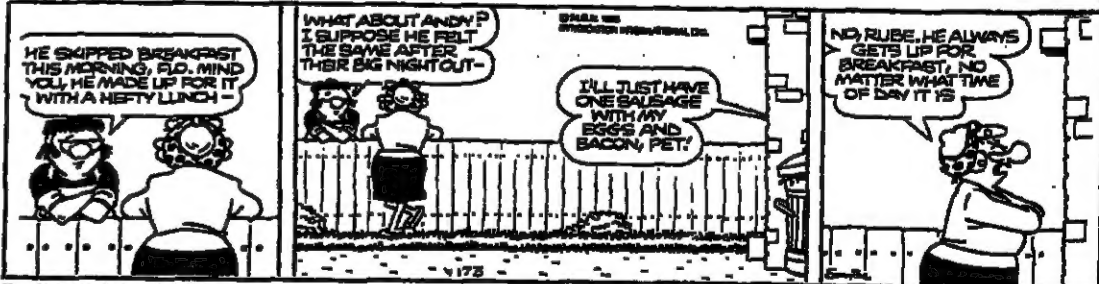
PEANUTS



BEETLE BAILEY



ANDY CAPP



WIZARD OF ID



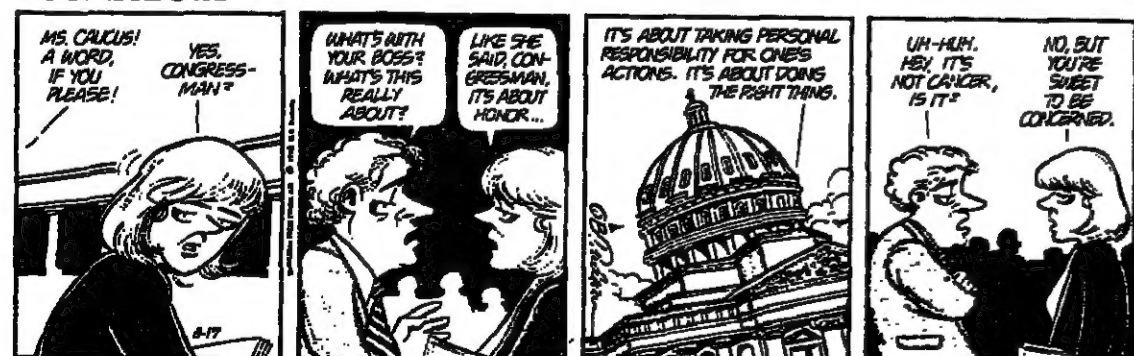
REX MORGAN



GARFIELD



DOONESBURY



DENNIS THE MENACE



JUMBLE

Unscramble these four jumbles, one letter to each square, to form four ordinary words.

CENIE
RITHM
LIVERD
HAWRTT

Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Answer: CIRCLE

(Answers tomorrow)

Yesterday's Jumble: EXCEL BERYL WHEAT HAMMER

Answer: EXCEL BERYL WHEAT HAMMER

Yesterday's Jumble: EXCEL BERYL WHEAT HAMMER

Answer: EXCEL BERYL WHEAT HAMMER

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BLONDIE



SPORTS

Yankees: New Boss, Old Woe

Nederlander Said 'Fairly Low Key'

New York Times Service

NEW YORK — He's described as an accomplished athlete and a thoroughgoing sports fan who grew up playing tennis and rooting for the Detroit Tigers, but not being fooled.

As soon as he and two of his brothers took a small bite of the Big Apple's dominant baseball team in 1973, Robert E. Nederlander switched his allegiance to the New York Yankees.

"He loves baseball and he's a hard Yankee fan," Nederlander's son, Eric, 25, said Wednesday as word circulated in New York theater and baseball circles that the lawyer-turned-businessman, the president of his family's Nederlander theater empire, had been chosen at a meeting of the team's partners in New York to replace George Steinbrenner.

The selection is subject to the approval of the other major league owners.

"He's strictly business," said Arthur Rubin, the vice president and general manager of Nederlander Productions, describing the company's president as a "fairly low key, hard-working executive."

The Nederlander family operates the nation's largest chain of legitimate theaters, 11 in New York City and more than a dozen others across the country. But Nederlander is just as likely to eat at his desk or at Gallagher's, a sports-oriented steak house in New York.

VANTAGE POINT/Ira Berkow

Mystery Opens on Broadway

New York Times Service

NEW YORK — When the Yankees partners at a meeting in Cleveland named Robert Nederlander as the general partner of the team to replace George Steinbrenner, the first question was, "Who?"

Not who Steinbrenner? He needs little introduction. But who Nederlander?

Although Robert Nederlander is a limited partner with the Yankees, along with his brothers James and Harry, and is an attorney and the president of the Nederlander Organization, a theatrical enterprise, Robert was relatively invisible in baseball circles. Not unlike most of the limited partners with the Yankees.

A classic moment at another owner's meeting was recalled recently:

"Can't we make a suggestion?" asked one of the limited partners.

"No, you can't," responded Steinbrenner.

When the curtain went up on the Nederlander selection on Wednesday, veteran baseball writers recalled the moment when a new commissioner of baseball was announced in 1965. He was a retired Air Force general, William Eckert.

"My God," one reporter cried, "they've hired the Unknown Soldier."

Eckert was a man so unknowledgeable in baseball that it seemed he thought a fly ball had wings.

How much baseball Nederlander knows awaits to be seen.

Calls by feverish reporters went out this time not to the Pentagon to learn what manner of man and baseball man is Robert Nederlander, but to the Shubert Organization, to Jujamcyn Theaters, to Catch a Rising Star Inc., to Disney Production (when you deal with Yankee business, one generally had the impulse to check in with Mickey and Donald).

Early on, all that was known about Nederlander was that he took a position that Hank Steinbrenner eventually wanted no part of.

Hank is the oldest son of George, the recent banished from baseball. When Fay Vincent determined that Steinbrenner *per se* had acted in a fashion "destructive to the best interests of baseball," the commissioner of baseball worked out an agreement, signed by Steinbrenner, which forced Steinbrenner to give up controlling interest in the baseball side of the Yankees.

Though George was for the most part thrown out of baseball — he could still negotiate his business contracts — he thought he could maneuver his property into a position where, it seemed, he could continue to control the outfield Yankees.

as he is to join the power elite at a place like the "21" Club.

That's the sort of concession that comes naturally to a man who is said to put in 10- to 12-hour work days.

Although no one seemed to want to draw a comparison with Steinbrenner, Lee Silver, the spokesman for the Shubert theater organization, came close. "Bobby," Silver said, "always thinks before he speaks."

Robert Elliot Nederlander was born in Detroit on April 10, 1933, the last of the six children of David T. Nederlander and his wife, Sarah. David, known as D.T. Nederlander, bought his first theater in 1905 and after his death in the 1960s, his sons — Harry, Jimmy, Fred, Joseph and Robert — more or less kept buying more. (A daughter, Frances, lives in Cleveland.)

Robert, who was captain of the University of Michigan tennis team, stayed in the university town of Ann Arbor to get his law degree and then established a law firm in Detroit.

By 1981, however, the theater operations his brother, Jimmy, had begun in New York had grown so much, Robert was summoned to the city as president of the organization. He served as the behind-the-scenes business manager while the more flamboyant and better-known Jimmy continued as front man and chief impresario.

It was Jimmy who befriended Steinbrenner, paving the way for the joint investment in the Yankees with Robert and their brother Harry, who is based in Detroit. But it is Robert who is taking over the team he has come to love so well.

Steinbrenner, who under the agreement is barred from using Vincent, had planned to challenge the commissioner on the grounds that he was not impartial and that the investigation was biased. Kleinman spoke in similar terms.

"There's no question in my mind that the commissioner's intent to go forward with the hearing is to destroy my relationship with the Yankees," Kleinman said.

Kleinman was called to a hearing before Vincent for his involvement in the \$40,000 payment Steinbrenner made to Spira in January.

Kleinman Likely To Sue Vincent

By Murray Chass

New York Times Service

NEW YORK — The chief operating officer of the Yankees will probably file a lawsuit to block a hearing scheduled before the commissioner into his involvement in the Howard Spira affair, people close to the executive indicated.

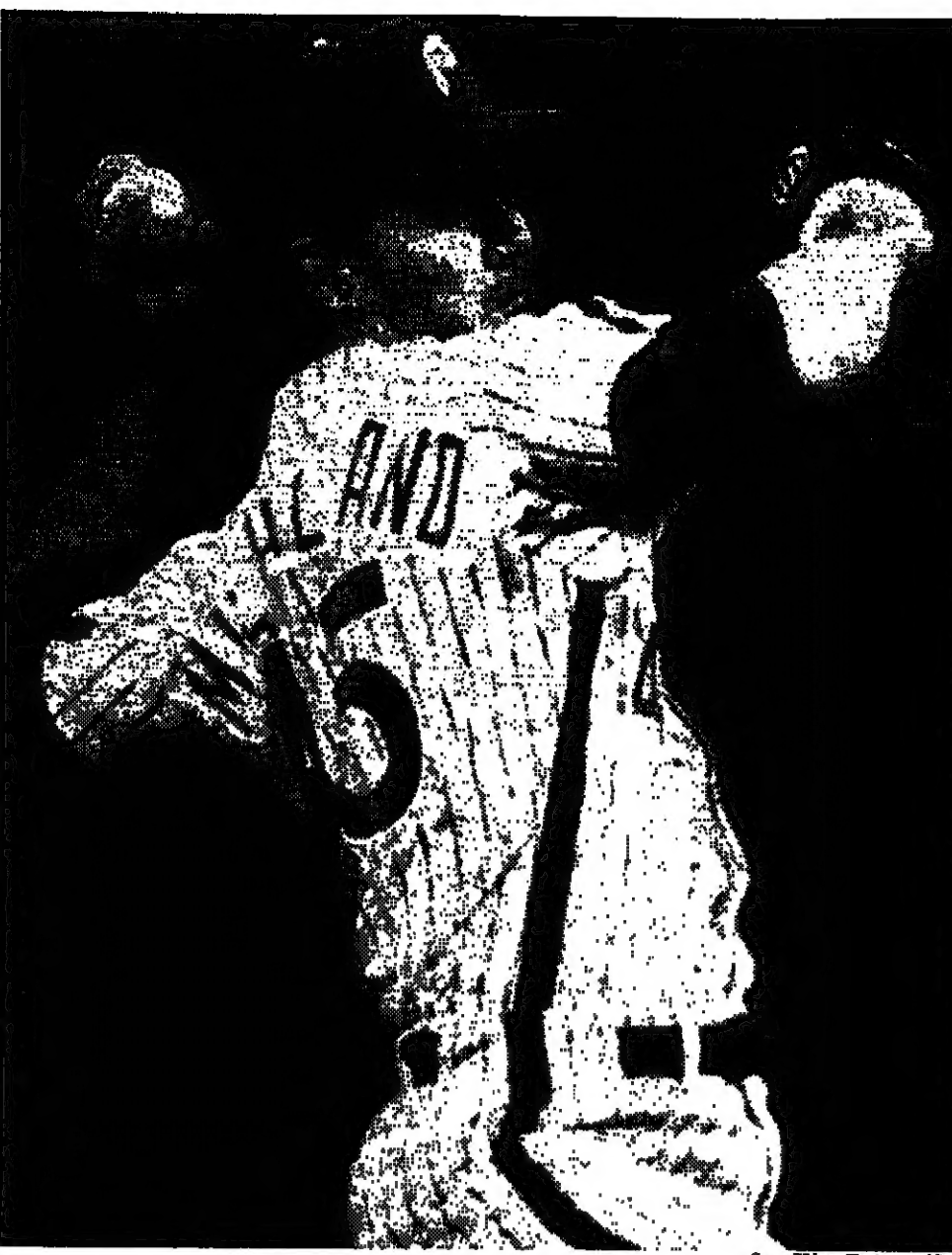
Leonard Kleinman refused to say Wednesday if he would try to block the hearing. But one man familiar with the legal plans said he would almost definitely challenge the commissioner, Fay Vincent, and another indicated a suit would be filed before the Sept. 6 hearing.

Such legal action would be the lawsuit that George Steinbrenner and his lawyers considered filing before Steinbrenner reached an agreement with the commissioner stripping him of his role as the Yankees' general partner.

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Terry Mulholland could do no wrong against the Giants. Only an infield error ruined a perfect game.

Phillies' Mulholland Almost Perfect in Year's 8th No-Hitter

The Associated Press

PHILADELPHIA — Terry Mulholland just missed getting major league baseball's 10th perfect game, but he succeeded in pitching a record-breaking no-hitter for the Phillies.

Mulholland faced the minimum 27 batters in a 6-0 victory Wednesday night over the San Francisco Giants, the eighth no-hitter this season. Seven no-hitters were thrown in 1908 and again in 1917.

"I can't describe how I felt when Charlie grabbed that last ball," Mulholland, 27, who has yet to pitch a full season in the majors, said of third baseman Charlie Hayes' game-ending play, a ground-out just inside the third base line.

Mulholland lost his bid for a perfect game on a seventh-inning throwing error by Hayes. Rick Parker grounded sharply to the left of Hayes, who fielded the ball, but his throw pulled first baseman John Kruk off the bag.

Dave Anderson then hit into a double play.

The last perfect game came when Tom Browning of Cincinnati beat Los Angeles on Sept. 16, 1988.

Mulholland said losing the perfect game never entered his mind when he pitched the no-hitter.

"I'm thinking who I face next. It's nice if you get it," Mulholland said of the perfect game, "but you don't think about that."

It was the first nine-inning no-hitter in the 20-year history of Veterans Stadium, and the first at home by a Phillies pitcher this century.

1990 No-Hitters

American League

Mark Langston (7 innings) and Albie Wit (2), California vs. Seattle, 1-0, April 11.
Randy Johnson, Seattle vs. Detroit, 2-0, June 2.
Helen Rosen, Texas vs. Oakland, 5-0, June 11.
Dave Stewart, Oakland vs. Toronto, 5-0, June 21.
Andy Hawkins, New York vs. Chicago, 6-0, July 1.

National League

Fernando Valenzuela, Los Angeles vs. St. Louis, 6-0, June 2.
Terry Mulholland, Philadelphia vs. San Francisco, 6-0, Aug. 16.

Philadelphia's Jim Bunning pitched a perfect game against the Mets on June 21, 1964 in New York. The only other no-hitters by Phillies pitchers were Charles Ferguson in 1885, Red Donahue in 1898 and Charles Fraser in 1906.

Mulholland had a career-high eight strikeouts with a pitch he described as a "cutter-slider" and did not walk a batter.

The Phillies' manager, Nick Leyva, noted that Mulholland brought the count to 2-0 only twice. The left-hander threw 105 pitches, 71 strikes and 34 balls.

Mulholland, in the National League for parts of three seasons, came to the Phillies from the Giants on June 18, 1989, with Hayes and pitcher Dennis Cook for reliever Steve Bedrosian.

The Phillies took a 1-0 lead in the first on Kruk's RBI single. An RBI double by Len Dykstra and two-run homer by Darren Daulton made it 4-0 in the fifth. The Phillies added two runs in the sixth on RBI singles by Hayes and Mulholland.

Cuba Turns Showcase Into 23-1 Rout of U.S.

The Associated Press

EDMONTON, Alberta — In a game expected to be a showdown between Cuba and the United States to end the medal round of the World Baseball Championships, the Cubans scored in every inning except the sixth and routed the Americans, 23-1.

A spokesman for the U.S. team, Bob Bensch, said records are sketchy, but the loss was the worst for the club in at least four years. The U.S. team can now place no higher than seventh in the tournament, the team's lowest finish in a decade.

German Mesa, shortstop and leadoff hitter, led the Cubans with a pair of doubles and three singles in five at-bats. The Cubans hit four home runs.

Cuba is the defending champion. Canada will play the United States on Friday to determine the seventh- and eighth-place teams in the 12-country tournament.

Shoddy fielding by Canada on Wednesday led to four errors, allowing Puerto Rico to overcome a 6-4 deficit and defeat the host team, 9-6. Canada led to fourth place in its pool. Puerto Rico clinched a spot in the bronze-medal game.

Also Wednesday, Nicaragua surprised Japan with an 11-4 win to advance to the best-of-three final series Saturday and Sunday against Cuba for the gold and silver medals.

Nicaragua broke up a no-hitter by Ken Suzuki with a four-run fourth inning. The winning pitcher, Carlos Hebert, allowed only seven hits over eight innings.

"We've got a medal already and we feel so proud about that," Hebert said.

When Nicaragua beat Japan during the preliminary round last week, a national celebration named in Nicaragua. Hebert was asked if Wednesday's victory would mean a week of celebrating and holidays.

"Yes, I think so," he said. "We want to give Cuba some good games but we don't think we're going to come out so excellent like when we play against Japan."

Suzuki gave up five hits, including an RBI triple to Genaro Linares and a pair of doubles in the fourth inning. One of the doubles, by Bayardo Davila, brought in two runs.

McGwire's Grand Slam Lifts A's

Compiled by Our Staff From Dispatches

Mark McGwire hit a game-winning grand slam in the 10th inning off Boston Red Sox reliever Rob Murphy to lift the Athletics to a 6-2 victory in Oakland and in the process become the first player ever to record at least 30 home runs in each of his first four seasons.

"It's amazing to think about all of the power hitters that have played the game and I'm the first to do it," said McGwire, who had 49 home runs in 1987, 32 in 1988 and 33 last year, but has played in the shadow of teammate Jose Canseco for much of this season.

Daryl Irvine walked Henderson, a pinch-hitter, in the 10th on Wednesday and pinch-runner Willie Randolph took second on shortstop Luis Rivera's error of a grounder by Doug Jennings.

The runners advanced on Irvine's wild pitch, and Dave Henderson was walked intentionally to load the bases for McGwire. Murphy replaced Irvine with a 1-0 count.

McGwire said he knew what to expect from the Red Sox left-hander.

"He comes right at you with a fastball and I don't think he'll get you beat him on anything but his good hard fastball," he said. "He just gave me one out over the plate."

The crowd of 41,704 roared as McGwire slowly circled the bases and ended a game that pitted the leaders of the American League East and West against each other.

McGwire, who sat out Tuesday's loss to rest after starting 58 consecutive games, had struck out his first three at-bats against Dana Kieckhefer before walking in the eighth.

Infielders 5, Twins 4: Chris James' game-winning RBI single capped a three-run rally in the seventh and Mitch Webster honored for the fourth time in six games for the Indians in Cleveland.

Brewers 7, Tigers 3: Rob Deer drove in four runs on a two-run homer, a double and a sacrifice fly in Detroit.

White Sox 4, Blue Jays 3: Ivan Calderon singled home one run and doubled and scored another and Sammy Sosa homered for the White Sox in Chicago.

Rangers 2, Royals 1: In Kansas City, Bobby Viti won a team-record ninth straight decision and Gary Pettis' run-scoring single in the seventh ended a string of 17 scoreless innings for Texas.

Witt struck out 11 and walked three in his fourth complete game. He threw 125 pitches, 84 for strikes.

Texas made it 2-0 in the eighth when Ruben Sierra doubled and scored on a single by Harold Baines.

Mariners 2, Orioles 0: Randy Johnson pitched a four-hitter, striking out nine, and Alvin Davis drove in both runs in Seattle with a homer and a sacrifice fly. The Mariners left a team-record 16 runners on base.

Angels 8, Yankees 1: Mark Langston ended his nine-game losing streak in Anaheim, California, pitching a four-hitter and striking out 12 as the Angels handed the Yankees their sixth straight defeat.

Reds 3, Cardinals 1: In a National League game in St. Louis, Herm Wainwright's third triple of the game, tying a

BASEBALL ROUNDUP

modern National League record, broke a 12th-inning tie. Wainwright also doubled and scored twice.

Braves 5, Pirates 1: In Pittsburgh, rookie Dave Justice hit his ninth home run in 10 games and Francisco Cabrera also homered and Lonnie Smith had a pair of run-scoring singles for the Braves.

Dodgers 3, Mets 2: In New York, Kal Daniels' three-run homer was one of only three hits by Los Angeles off Sid Fernandez and Wally Whitehurst. The home run in the fourth followed a double by Stan Javier and an infield single by Mike Sharperson.

Astros 8, Cubs 4: In Chicago, Craig Biggio tripled and scored the tying run in the ninth, then drove in the game-winning run with a single in the 10th. Rafael Ramirez added a three-run double in the Astros' four-run 10th.

Expos 5, Padres 3: In San Diego, catcher Benito Santiago's errant pickoff throw in the 17th inning allowed Andres Galarraga to score the tie-breaking run with two outs as Montreal earned its seventh straight victory.

Galarraga walked with two outs and Larry Walker singled. Santiago tried to pick Walker off at first base, but the ball got away allowing Galarraga to score. Mike Fitzgerald then singled to score Walker.

Bill Sampen pitched five innings on one-hit relief for the victory. (UPI, AP)

Rose Said to Strike Early-Release Deal

Pete Rose, baseball's all-time hits leader who is serving a five-month prison sentence for tax evasion, has cut a deal with federal officials that will reduce his sentence by nearly one month, United Press International reported, quoting a newspaper in Marion, Illinois.

The Marion Daily Republican also reported Rose has received preferential treatment since arriving at the Marion Federal Work Camp on Aug. 8.

The prison warden, John Clark, said he was unaware of any deal. Rose's official release date is Jan. 7.

Early Exit for Gilbert, Chang

United Press International

NEW HAVEN, Connecticut — The tournament's defending champion Brad Gilbert, the 1989 French Open tennis champion and Goran Ivanisevic, a Wimbledon semifinalist, joined the long list of early upset victims at the Volvo International, losing second-round matches to opponents ranked outside the top 100.

Nine of the 16 seeds failed to survive the second round, including six of the top nine. Six seeds were ousted Wednesday and earlier in the week the top seed, Ivan Lendl, lost.

Gilbert lost to a qualifier, Cristiano Caratti, an Italian ranked No. 173 in the world. Caratti dispatched the third seed, 6-4, 6-4.

Before the tournament here, Caratti had not played a match on the 1990 Association of Tennis Professionals tour.

Todd Woodbridge, ranked 135th, Woodbridge, who had had never before beaten any player ranked among the world's top 50, won by 6-3, 1-6, 6-3.

Ivanisevic, an 18-year-old Yugoslavian who was the sixth seed, lost to a player ranked 109th, Paul Chamberlin, by a 6-1, 7-6 score.

Another surprise loser on Wednesday: No. 8 Tim Mayotte, downed, 4-6, 6-4, 6-3, by Derrick Rostagno.

SCOREBOARD

FOOTBALL

NFL Standings

Division	W	L	T	Pct.	GB
AFC East	10	6	0	.625	0
AFC Central	9	7	0	.562	1
AFC West	8	8	0	.500	2
NFC East	10	6	0	.625	0
NFC Central	9	7	0	.562	1
NFC West	8	8	0	.500	2

BASEBALL

Major League Standings

Division	W	L	Pct.	GB
American League East	48	54	.471	0
American League Central	46	56	.448	2
American League West	44	58	.433	4
National League East	46	56	.448	0
National League Central	44	58	.433	2
National League West	42	60	.412	4

Wednesday's Line Scores

Team	W	L	Pct.	GB
American League	48	54	.471	0
National League	46	56	.448	2

Japanese Leagues

League	W	L	Pct.	GB
Central League	48	54	.471	0
Pacific League	46	56	.448	2

World Championship

Team	W	L	Pct.	GB
Cuba	48	54	.471	0
United States	46	56	.448	2

Basketball

Team	W	L	Pct.	GB
United States	48	54	.471	0
Cuba	46	56	.448	2

TRANSACTIONS

Team	Player	Position	Contract
Yankees	Robert E. Nederlander	General Partner	10- to 12-hour work days
Phillies	Terry Mulholland	Pitcher	Record-breaking no-hitter
A's	Mark McGwire	Outfielder	Game-winning grand slam
Cubans	German Mesa	Shortstop	Leadoff hitter

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